

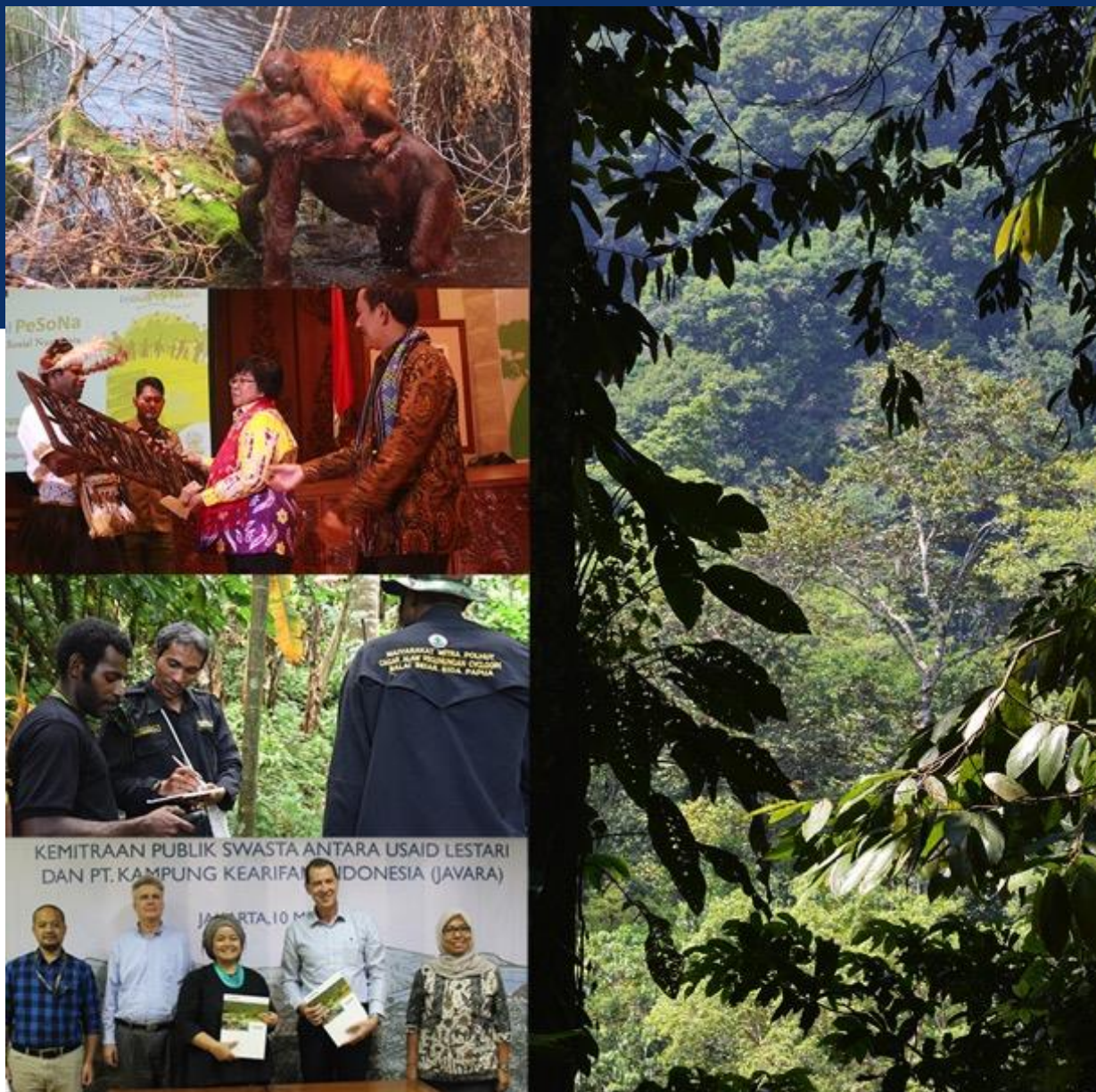


**USAID**  
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# ANNUAL REPORT

USAID LESTARI

October 2015 – September 2016



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**Cover Photograph:** From left to right: Orangutan mother and infant within the devastated peatland landscape; Leuser Landscape forest; Signing of PPP with Kampung Kearifan Indonesia (Javara); SMART Patrol training in Cyclops Nature Reserve; and LESTARI's participation in PeSoNa Festival.

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## **DISCLAIMER**

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# ACRONYMS AND ABBREVIATIONS

AMEP	Activity Monitoring and Evaluation Plan
ASEAN	Association of Southeast Asian Nations
ATR	Ministry of Agrarian Affairs and Spatial Planning
BAPPENAS	Ministry of National Development Planning
BIG	Geospatial Information Agency
BCC	Behavior Change Communication
BKPRD	Regional Spatial Planning Coordination Agency
BKSDA	Nature Conservation Agency
BMP	Best Management Practice
BRG	National Peatland Restoration Agency
CA	Conservation Area (National Park, Wildlife Reserve, Nature Reserve, or Tourist Park)
CBO	Community Based Organization
CBS	Constituency Building Strategy
CCLA	Community Conservation and Livelihood Agreement
CLA	Collaborating, Learning, and Adapting
CMMP	Conservation Management and Monitoring Plan
COP	Chief of Party
CSO	Civil Society Organization
DAK	Special Budget Allocation Fund
DAU	Regular Budget Allocation Fund
DCOP	Deputy Chief of Party
DSC	Destination Stewardship Council
FIP	Forest Investment Program
FMU	Forest Management Unit (or KPH)
FPIC	Free, Prior, and Informed Consent
FSC	Forest Service Council
GFW	Global Forest Watch
GHG	Greenhouse Gas
GOI	Government of Indonesia
HCS	High Carbon Stock
HCV	High Conservation Value
ICCTF	Indonesia Climate Change Trust Fund
ICT	Information and Communication Technologies
IDIQ	Indefinite Delivery, Indefinite Quantity contracting mechanism
IFACS	Indonesia Forestry and Climate Support Project
IPCC	Intergovernmental Panel on Climate Change
ISCC	International Sustainability and Carbon Certification
ISPO	Indonesian Sustainable Palm Oil Foundation
KADIN	Indonesian Chamber of Commerce
KfW	German Development Bank
KLHK	Ministry of Environment and Forestry
KM	Knowledge Management
LCP	Landscape Conservation Plan
LEDs	Low Emission Development Strategy
LOP	Life of Project
LTTA	Long-Term Technical Assistance



LULUCF	Land Use, Land Use Change, and Forestry
M&E	Monitoring and Evaluation
METT	Management Effectiveness Tracking Tool
MIS	Management Information System
MOU	Memorandum of Understanding
MRV	Monitoring, Reporting, and Verification
MSF	Multi-Stakeholder Forum
MSU	Michigan State University
MTD	Monthly Thematic Discussion
NGO	Non-governmental Organization
NP	National Park
NRM	Natural Resource Management
NTFP	Non-Timber Forest Product
PA	Protected Area
PCN	Project Concept Note
PDD	Project Design Document
PES	Payment for Environmental Services
PHKA	Directorate General of Forest and Nature
PPP	Public-Private Partnership
RDMA	Regional Development Mission for Asia
RDTR	Detailed Spatial Plan / <i>Rencana Detail Tata Ruang</i>
REC	Review and Evaluation Committee
REDD+	Reducing Emissions from Deforestation and Forest Degradation, including conservation, sustainable management of forests, and enhancement of forest carbon stocks
REL	Reference Emission Level
REPLACE	Restoring the Environment through Prosperity, Livelihoods and Conserving Ecosystems
RFTOP	Request for Task Order Proposal
RKT	Provincial Development Plan
RPJM	District Development Plan
RPJMD	Regional Development Plan
RPJMDes	Village-level Development Plan
RSPO	Roundtable on Sustainable Palm Oil
RTRWK	District Spatial Plan
RTRWP	Provincial Spatial Plan
SDI	Spatial Data Infrastructure
SEA / KLHS	Strategic Environmental Assessment
SMART	Spatial Monitoring and Reporting Tool
SP	Spatial Planners
SRAP	REDD+ Agency's Strategic Action Plan for REDD+
STI	Sustainable Travel International
STTA	Short-Term Technical Assistance
TBI	The Borneo Initiative
TFA	Tropical Forest Alliance
UKCCU	UK Climate Change Unit
UNPAR	University of Palangkaraya
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
USDOI	United States Department of the Interior
USFS	United States Forest Service
USG	United States Government
WCS	Wildlife Conservation Society
WDC	Washington, DC
WWF	World Wildlife Fund

# LESTARI BACKGROUND

USAID LESTARI supports the Government of Indonesia (GOI) to reduce greenhouse gas (GHG) emissions and conserve biodiversity in carbon rich and biologically significant forest and mangrove ecosystems. Built on the strong foundation of USAID's IFACS project, LESTARI applies a landscape approach to reduce GHG emissions, integrating forest and peatland conservation with low emissions development (LEDS) on other, already degraded land. This is achieved through improved land use governance, enhanced protected areas management and protection of key species, sustainable private sector and industry practices, and expanded constituencies for conservation among various stakeholders. LESTARI is implemented under the leadership of Tetra Tech and a consortium of partners including WWF-Indonesia, Winrock International, Wildlife Conservation Society (WCS), Blue Forests, Yayasan Sahabat Cipta, PT Hydro South Pole Carbon, Sustainable Travel International (STI), Michigan State University, and the FIELD Foundation. LESTARI runs from August 2015 through July 2020.

LESTARI activities are targeted in six strategic landscapes on three of Indonesia's largest islands, where primary forest cover remains most intact and carbon stocks are greatest. In northern Sumatra, the Leuser Landscape comprises significant portions of Aceh Selatan, Gayo Lues, Aceh Tenggara, and Aceh Barat Daya districts, and includes the Aceh portion of Leuser National Park and Singkil Wildlife Sanctuary. In Central Kalimantan, LESTARI works in the Katingan-Kahayan Landscape, comprising Pulang Pisau, Katingan, and Gunung Mas districts; Palangkaraya municipality; and Sebangau and Bukit Baka Bukit Raya National Parks. LESTARI also works in four landscapes in Papua. Sarmi and Cyclops Landscapes are located along the northern coast and comprise Sarmi district as well as Jayapura district and municipality. The Lorentz Lowlands Landscape, comprising Mimika and Asmat districts plus a large portion of Lorentz National Park, and the Mappi-Bouven Digoel Landscape are located along Papua's southern coast. LESTARI is managed from its headquarters in Jakarta, with offices in each landscape as well as the provincial capitals of Aceh, Central Kalimantan, and Papua.

Overall Results of LESTARI are:

1. At least 41% of total CO<sub>2</sub>-equivalent emissions reduced from land use, land use change and deforestation averaged across all landscapes within the project scope;
2. At least 8.42 Million hectares of primary or secondary forest, including orangutan habitat, under improved management;
3. Management of at least six conservation areas improved, resulting in the conservation of valuable orangutan and other key species habitat, and the reduction in poaching of threatened and endemic species;
4. At least ten public-private partnerships (PPPs) promoting low-emissions conservation oriented development established;
5. Funding leveraged from public and private sources, representing co-investment in project outcomes;

6. Increased commitment of key private sector, government, and community stakeholders regarding the positive benefits of conservation and sustainable use of forests and the species they encompass;
7. Policies, laws, regulations, and procedures in support of low emission development and forest conservation and management increased, promulgated, and enforced at all levels; and
8. Models for successful integration of district, provincial, and national low emissions development and forest conservation strategies developed and shared at all levels of government and with other key stakeholders



# EXECUTIVE SUMMARY

This Annual Report (AR) summarizes the activities and achievements of the USAID LESTARI project during Year 1, October 1, 2015 to September 30, 2016.

## Year 1 Results

All LESTARI activities were consistent with the respective Theory of Change (ToC) under each Strategic Approach and will ultimately contribute to the project's primary two goals: 41% reduction in GHG emissions from forest and land use sectors and 8.42 million hectares of forest, including orangutan habitat, under improved management. These two key indicators, although not measured within Year 1, were supported through lower level targets aimed at improving land use governance and forest management. In line with LESTARI's ToC, it is expected that these outcomes will create the enabling conditions necessary to ultimately achieve the two overarching goals. A summary of LESTARI Year 1 progress, per AMEP indicator, is listed below. The full Year 1 progress matrix is presented in Appendix 1.

- 3 public policies introduced addressing climate change and/or biodiversity conservation (indicator #4)
- 1 high quality KLHS developed for Central Kalimantan Province and 1 updated for Mimika District and actively being used to revise RTRW Mimika (indicator #6)
- 7 MSFs have Bupati Decree for MSF institutionalization (indicator #7)
- 25 community champions engaged (indicator #8)
- 120,551 people reached to improve awareness of LEDS (indicator #9)
- 971 people received training in natural resource management (indicator #12)
- 3,477,921 USD in investment mobilized for climate change (indicator #13)
- The first milestone for private sector firms' improved management practices achieved through the signing of 11 MoUs between LESTARI and concessionaries (indicator #15)
- 3 new PPPs formed in support for LEDS (indicator #16)

Indicators #4 (100%), #9 (12,000%), and #12 (98%), #13 (173%), and #16 (100%) nearly met, met, or exceeded their respective Year 1 targets. Indicators #6, #7, #8, and #15 fell short due to various institutional and operational challenges, including difficulties accessing project sites in Papua and working through political constraints and schedules dictated by local government. However these indicators are expected to be caught up within Year 2. Further details are provided within the LESTARI Year 1 Program Activities chapter.

## LESTARI YEAR 1 HIGHLIGHTS

In its first year of implementation, LESTARI was successful in launching a broad array of strategic activities across all three technical themes that brought about measureable progress. The first two quarters were foundational and involved project launches in all landscapes, socialization activities, technical assessments, and field activity start-up.

The latter two quarters focused on deepening existing activities and scaling up synergies through a sub-landscape approach. This sub-landscape approach provides opportunities for replication across the entire landscape, ensures sustainability of project interventions, and therefore, increases the likelihood of transformative change.

Early within Year 1, production and dissemination of key project documents included the Landscape Baseline Analysis, First Annual Work Plan, Activity Monitoring and Evaluation Plan, and Grants Management Plan. These foundational documents were and continue to be vital for guiding, measuring, and supporting LESTARI activities. A range of technical assessments were utilized for project planning and site selection, and included village and commodity assessments in Leuser and Katingan-Kahayan Landscapes, fire impact assessment on community rubber, PES/REDD+ Finance Assessment, Singkil Concept Note, and Forest and Land Fire Impact Study.

Key policy products developed over Year 1 included: (1) a Governor's regulation that limits the use of fire for land clearing in Central Kalimantan, (2) a PerBup in Aceh Tenggara that allows the use of the village fund (Dana Desa) for community-based forest conservation, (3) a Qanun on environmental protection and management in Aceh Selatan, and (4) Directorate General decree on the national adoption of METT to measure and improve PA management.

Throughout Year 1, LESTARI senior staff provided support and mentoring to staff and partners in the landscapes, enhancing their capacities to deliver impactful sustainable landscapes and biodiversity conservation work. LESTARI senior management also engaged regularly with subcontractors to ensure efficiency and effectiveness of technical support to the project. The LESTARI MIS, designed and managed from Jakarta, was rolled out to manage operations, share information internally, and track landscape field activities in an efficient manner.

LESTARI maintained clear and routine communication with USAID through weekly meetings and field visits. LESTARI also coordinated regularly with fellow USAID terrestrial programs, particularly BIJAK, to facilitate greater cross-project communication, prioritize opportunities for closer collaboration, and more clearly align USAID terrestrial program strategic themes with RENSTRA KLHK.

Moreover, LESTARI worked in alignment and coordination with GOI priorities including, but not limited to, METT score improvement, CA zonation, social forestry targets, One Map, and peatland restoration through regular engagement at both the national (KLHK, BIG, BRG, and ATR) and local government levels. Notably, a RPP document was agreed upon and signed between LESTARI and the Conservation Area Directorate of KSDAE.

In implementing activities, LESTARI was strategic and efficient in utilizing a range of mechanisms, including direct implementation, sub-contractors, STTAs, SAs, and Grants. In Year 1, Grants activity was particularly robust, including awards to local organizations for orangutan conservation in Leuser and Katingan-Kahayan Landscapes.

Towards the end of the year, successful Year 2 Work Planning sessions were held for all landscapes to reflect on Year 1 progress and develop detailed Year 2 strategies and activities. A thorough Year 2 Work Plan will reduce the need for project-based SOWs and improve project efficiency.

A successful Limited Financial Review with USAID/Indonesia's OFM was also completed at the end of the year, demonstrating the quality of LESTARI's systems and procedures.

A summary of the major areas of LESTARI's Year 1 progress in Aceh, Central Kalimantan, and Papua Landscapes is provided below. Notably, progress towards each ToC stream

varied across each landscape (e.g., SA1: Awareness and Advocacy most advanced in Central Kalimantan due to media advocacy and outreach activities led by Mongabay). Details of the progress in each landscape are provided within the dedicated landscapes sections of this report.

## Aceh

In Aceh, LESTARI efforts focused on preserving the rich forest and biodiversity values within Leuser National Park through close collaboration with local government, national park authorities, and local communities. An MoU was signed with the Provincial Dinas Kehutanan, acquiring their buy-in and collaboration towards improved forest management (KPHL) in the landscape. Year 1 work in this landscape in support of KPH, co-management agreements, and improved management effectiveness of Leuser National Park will serve as the foundation for achieving the improved areas under conservation target measured in Year 2 and beyond.

To improve the management effectiveness of the national park, LESTARI facilitated the dissemination of the METT score, conducted trainings for CA managers, and helped build action plans to improve the METT score. In conjunction, LESTARI supported on-the-ground activities to help monitor, detect, and deter illegal logging and wildlife crimes. Led by WCS, LESTARI provided training and roll out of SMART Patrols to improve habitat protection and monitoring to enable CA managers to provide more timely and strategic responses. A Wildlife Response Unit was operationalized to engage directly with communities to mitigate human-wildlife conflicts, while a Wildlife Crime Unit supported efforts to reduce wildlife trafficking. Camera traps were also utilized to monitor the distribution and density of key species in the National Park in order to determine where best to target conservation efforts.

On the governance front, LESTARI signed an MOU with the Aceh Barat Daya District government, and subsequently responded to a request for support by preparing a strategy for a detailed spatial planning (RDTR) pilot model. RDTR takes spatial planning to the local level, facilitating local-community and private sector sense of ownership. With regards to public discourse for policy reform, LESTARI supported public consultations for a New Environmental Funding Policy in Aceh Tenggara that was informed by the ex-IFACS KLHS. Following technical meetings, the Bupati created a technical team to formulate a Bupati's decree in Aceh Tenggara to enable the use of the village fund / Dana Desa for community-based forest conservation.

Public discourse for New Environmental Policy in Aceh Selatan was also informed by KLHS. A technical team consisting of MSF members began preparations for a draft Qanun / Perda to be submitted to DPRD for Environmental Management in Aceh Selatan with emphasis on the Leuser Landscape. This Qanun is an implementation of national Law No 32/2009 on Environmental Protection and Management, regulating district government authority in planning, use, and protection for environment in particular on 4 distinct ecosystems: river, coastal areas, peatland, and Leuser Ecosystem areas.

Given the large numbers of communities located in the buffer zone area of Leuser National Park, support for co-management initiatives was also active and focused throughout Year 1. First, LESTARI supported draft village development plans (RPJMDes) that integrate a co-management and environmental and water conservation visions in three pilot villages. Second, LESTARI carried out an initial assessment on community forestry in the Menggamat area. Given enthusiastic support from adat leaders, LESTARI will support 13 villages in the area to acquire permits to manage the area through the social forestry initiative. Third, LESTARI began to support 2 FMUs in Leuser Landscape in carrying out public consultations to garner public inputs for their long term management plans at the district level. Engagement with FMUs revealed that more comprehensive support is needed

to assist institutional and capacity building, hence underscoring LESTARI's priority for the second year to do so.

In synergy with these co-management initiatives, LESTARI also supported sustainable livelihoods for communities near strategic, buffer zone areas in order to reduce encroachment and deforestation pressures in the Leuser Landscape. A public-private partnership (PPP) was developed and launched together with PT Kampung Kearifan Indonesia (Javara) in support for organic cacao. The PPP aims to improve farmers' livelihoods by providing better prices, better market access, improved on/off-farm agricultural practices.

Finally, LESTARI continued to build upon IFACS' work regarding ecotourism-related initiatives in order to support sustainable financing models for conservation in the Leuser Landscape. Utilizing the findings from IFACS' ecotourism surveys conducted through IDguides and INDECON as a starting point, the LESTARI team conducted participatory mapping with stakeholders and shortlisted potential locations for further development. This included identifying local government interest and identifying neighboring locations that could be linked to create ecotourism hotspots. The work will continue with the development of ecotourism business models for the highest priority short-listed projects.

## Central Kalimantan

Given the urgency of the 2015 forest and land fires with regards to health and livelihood impacts, economic losses, and skyrocketing GHG emissions and biodiversity loss, especially to orangutan and orangutan habitat, LESTARI prioritized activities in the Katingan-Kahayan Landscape throughout Year 1. Focus was placed on the southern part of the landscape in Pulang Pisau District, with GIS analysis and aerial drone imagery revealing spiking numbers of hotspots in forest and peatland areas that devastated local communities. Hence work across all three technical themes addressed the need for integrated fire management and peatland restoration, in coordination and support for BRG priorities.

Year 1 work in this landscape involving improved management of Sebangau National Park, training timber concessions in RIL-C, and co-management agreements will serve as the foundation for achieving the improved areas under conservation target measured in Year 2 and beyond.

Awareness and advocacy efforts were consistent and focused on communication outreach to both general audiences and key policymakers. A Forest and Land Fires Impact study was conducted to quantify and share the health and livelihood impacts of the fires on communities. In conjunction, a series of Fire Hero videos and Stories From the Field were produced and disseminated to showcase local stories and LESTARI Champions, many of whom gained significant notoriety through LESTARI support and promotion. For instance, the Minister of KLHK, Ibu Siti Nurbaya, specifically requested to view a short video produced by LESTARI about Pak Sumarjito. Ibu Siti subsequently met with Pak Sumarjito to learn more about his background and the fire-free land use practices that he actively promotes. This resulted in media coverage on Pak Sumarjito, further amplifying his story and the message of sustainable land use solutions to a broad audience.

In support of improved forest and land use governance, one of LESTARI's primary Year 1 achievements in this landscape was support for the provincial-level SEA / KLHS for Central Kalimantan. This was a demand-driven initiative, responding to BAPPEDA's request to formulate a new SEA for the new Governor's RPJMD. It earned accolades from regional and national government for its timeliness and quality. The SEA raised important issues impacting the Katingan-Kahayan Landscape including recommendations that focus on 6 program priorities (KRP) formulated in the RPJMD draft. Within each KRP, the SEA provides

recommendations that directly relate to forest conservation. These include accelerating and strengthening the KPH in vulnerable areas based on ecology instead of administrative boundaries, terminating plantation licenses in HCV and peatland areas, accelerating social forestry licensing, and settling land tenure within forest areas with IP4T (*Inventarisasi Peguasaan, Pemilikan, Penggunaan, dan Pemanfaatan Tanah*) mechanism. The SEA document will be part of Perda RPJMD and mainstreamed within Renstra of related SKPD in Year 2. Being an iterative process, the SEA managed to influence the crafters of the RPJMD to include explicit reference to LEDS and consequent action in the final economic development plan.

Related to this KLHS support, the development of the web-based sustainability screening tool (SST) was focused in Pulang Pisau where mis-application licensing has been most damaging and represents the highest risk of GHG emissions anywhere in LESTARI landscapes. Stakeholder engagement with government agencies in Pulang Pisau and Central Kalimantan Province was formalized resulting in the sharing of important license and land use data, increasing the potential for effective public scrutiny. The web-based SST is now poised to assist with the village-level planning about integrated fire and land management, identification of fire-risk areas to assist with preparations for fire suppression, and determination of appropriate food-security areas. The SST will transition from prototype to fully developed tool within Year 2.

Significant work within Year 1 was also directed towards directly supporting peatland restoration efforts to mitigate the risk of fire and flood. In coordination with the Peatland Restoration Agency (BRG), LESTARI mobilized support for a rapid hydrological assessment across 440,000 hectares of Block C (KHG 14), Pulang Pisau to pinpoint exactly where major canal dams should be located. The dams will help to restore the hydrological function of peatlands by raising water levels during the dry season and managing floods during the rainy season. Moreover, a storyboard visualization was produced to inform stakeholders of the landscape impacts from the dams, with the Pulang Pisau MSF expressing unanimous support. A cost estimate for a demonstration set of dams has also been completed with planned implementation during the next dry season in mid-2017. Prior to moving forward, however, significant attention will be given to securing strong community and local government buy-in, conducting rigorous FPIC, and ensuring sustainability of the dams in accordance with all relevant USAID guidelines.

Regarding co-management initiatives with communities, LESTARI supported draft village development plans (RPJMDes) in 5 pilot villages that incorporate integrated fire management, zonation systems, and collaborative forest management visions. At the same time, LESTARI facilitated the submission of applications for social forestry licenses for 14 villages to MoEF in order to support the communities' secured access to forests and forest resources.

For improved protected area management, LESTARI continued to support the implementation of the METT tool to quantify and monitor management performance and optimize the use of resources to better protect the PA's natural assets. METT workshops were held for Sebangau and Bukit Baka Bukit Raya National Parks to disseminate the results of METT score assessment to increase the sense of ownership of the CA managers toward the result, hence generating their commitment to improve the METT score and develop an action plan to do so. LESTARI also supported the zonation plan integration of Bukit Baka Bukit Raya and Sebangau National Parks into the One Map policy. Additionally, LESTARI grantee BOSF rehabilitated and released 8 orangutans into Bukit Baka Bukit Raya National Park.

In support for sustainable livelihood development in strategic areas, assessments were conducted in the Katingan-Kahayan Landscape that resulted in target villages for



conservation and green enterprises/PPPs. Community-based rubber was the first local commodity to be developed under the PPP mechanism. Besides focusing on rehabilitation of the rubber plantation, this PPP aims to educate farmers in implementing Good Agricultural Practices (GAP) and integrated fire management to minimize the fire risk while at the same time improving their harvesting techniques so that they will be able to sell the rubber at a higher price. Partners include Bank Indonesia to provide drying house and demo plots, a rubber supplier for equipment and organic supplement provision, and a crumb rubber factory to serve as a buyer.

Given the significant presence of the land-based private sector and related GHG emissions and threats to biodiversity within this landscape, Year 1 efforts also focused on identifying opportunities for supporting private sector Best Management Practices (BMPs). MOUs were signed with 9 timber concessions involving training for Reduced Impact Logging to Reduce Carbon Emissions (RIL-C), HCV conservation, and co-management with communities. Implementation will begin early in Year 2.

Finally, LESTARI explored ecotourism-related initiatives within this first year in order to support sustainable financing models for conservation in the Katingan-Kahayan Landscape. The LESTARI team worked with landscape teams, local government, national park, community, and private sector stakeholders to undertake a participatory mapping of existing and potential ecotourism opportunities in Sebangau National Park, Bukit Baka Bukit Raya National Park, and Pulang Pisau. This work will continue with the development of ecotourism business models for the highest priority short-listed projects.

## Papua

In Papua, activities in the Lorentz Lowlands and Cyclops Landscapes were focused on improving CA management capacity and supporting co-management initiatives with communities in buffer zone areas. In Mappi-Bouven Digoel, activities entailed assessments for sustainable livelihood development and land use rationalization. In Sarmi Landscape, MOUs were signed with 2 timber concessions for BMP collaboration. Given the political situation in Sarmi District, LESTARI activities with regards to governance initiatives and work with communities to safeguard forests were postponed indefinitely.

Year 1 work within Papua including co-management agreements, RIL-C training for timber concessions, and improved management in Cyclops Nature Reserve will serve as the foundation for achieving the improved areas under conservation target measured in Year 2 and beyond.

In the Cyclops Landscape, LESTARI held a successful launching event for Papua landscapes together with the Governor of Papua and the U.S. Ambassador. Coinciding with this launch event, LESTARI supported the finalization of the declaration on collaborative management of Cyclops Nature Reserve and facilitated its signing. The declaration was signed by various key stakeholders during the LESTARI launch event in Jayapura, including the Papua Nature Conservation Agency (BKSDA), provincial and district government, private sector entities, and representatives of indigenous communities who live in and around the reserve. To operationalize the agreement, LESTARI facilitated the development of a draft district regulation on Cyclops Buffer Zone management to secure long-term commitments (including budget allocation) from the district government. LESTARI also began piloting co-management initiatives with 3 villages through participatory mapping exercises.

To improve the management effectiveness of Lorentz National Park and Cyclops Nature Reserve, LESTARI facilitated the dissemination of the METT score, conducted trainings for CA managers, and helped build action plans to improve the METT score. In conjunction, LESTARI supported the training and carrying out of SMART Patrols in Cyclops Nature



Reserve to improve habitat protection and monitoring. A training and roll out of SMART Patrols is planned for Lorentz National Park within Year 2.

In the Lorentz Lowlands Landscape, an environmental and socio-economic resilience assessment was conducted, leading to a number of priority villages being selected for piloting co-management efforts. Moreover, LESTARI facilitated the development of a multi-stakeholder partnership agreement to support biodiversity conservation in and around Lorentz National Park, which was signed by BKSDA Papua. Lorentz National Park, Mimika District Government, *adat* communities' representatives (LEMASKO and village head of Fanamo), PT Freeport, and LESTARI.

In support for operationalizing SEA/LCP, LESTARI supported an SEA-LEDS revision process in Mimika that incorporates new threats to the landscape. The process was managed by Bappeda and incorporated expert analysis and public consultation utilizing the MSF. LESTARI used the opportunity of the 2015 revision of the spatial plan to revive interest and promote utility in using the SEA. LESTARI will prioritize integrating these updates into the Mimika spatial plan, utilizing the MSF for conducting broad-based and inclusive public consultations.

Within Year 1, LESTARI supported broad-based and inclusive MSFs in Mimika, Asmat, Mappi, and Bouven Digoel Districts to discuss issues related to landscape sustainability. To support internal accountability and understanding of the MSF role and operating procedures, protocol was streamlined and standardized through a reporting template and background guidance paper. Mimika District agreed to consolidate all its various pre-existing MSFs into the one being supported by LESTARI. Key outputs from MSF discussions included: the use of MSF for participatory revision of RTRW and building awareness of HCV for LCP development in Mappi and Bouven Digoel; development of Women Working Group and participatory revision of RTRW in Mimika; and participation in pig-nosed turtle survey and training on mangrove management for women in Asmat.

In Mappi-Bouven Digoel Landscape, an initial assessment on potential investments for sustainable livelihood development based on local commodities was conducted. The output is a strategic plan to foster partnerships with private sector entities in developing and improving the livelihoods of local communities. This activity will be combined with the result from a land suitability assessment to develop a strategic plan throughout the landscape to support the main landscape initiative: land use rationalization. The final result will be shared and discussed in the MSF with relevant stakeholders during the first quarter of Year 2.

At the provincial level, LESTARI took over refinement of Papua Province's Information System for Spatial Planning (SIMTARU). SIMTARU aims to help achieve dynamic, transparent information exchanges between SKPD at the provincial level and between Provincial and Kabupaten SDI within LESTARI landscapes. SIMTARU took a major step towards being a basis for sustainable natural resource licensing by training Papua's one-stop-shop for province-level licensing to be integrated with this SDI. Furthermore, SIMTARU strengthened geospatial data linkages between the province level and the Districts of Sarmi and Mimika. The LESTARI team facilitated signing of the MoU document between the Governor and BIG that explicitly refers to SIMTARU, as well as refining two draft Governor's decrees for SIMTARU development, one on establishment and the other on natural resource licensing. The fundamental next step for operationalizing SIMTARU is the enactment of the Governor's decree for its establishment.

Finally, LESTARI communications, advocacy, and knowledge management efforts were dynamic and cross-cutting throughout Year 1 in all landscapes, effectively documenting and disseminating key issues, project achievements, best practices, and lessons learned to a broad audience at the international, national, and local levels. This amplified the messages

of the technical themes, promoted LESTARI's work, and supported the building of effective constituencies for conservation.

## YEAR 1 CHALLENGES, OPPORTUNITIES, AND LESSONS LEARNED

- Aggressive start-up in Year 1 resulted in the emergency of technical silos. As the Year 2 Work Plan is rolled out, synergy among different components and activities is the key to establishing significant impact. Achieving transformative activity integration in sub-landscapes will allow for future replication across the entire landscape.
- More clearly defined activities in the Year 2 Work Plan will reduce the reliance on project-based SOWs and ensure more routine, technical content-driven work.
- Ensure staff and partners understand and utilize the improved ToC and therefore LESTARI interventions demonstrate and target links that will deliver the project's overall reduced deforestation and improved biodiversity conservation results.
- LESTARI engagement at the provincial level given Law 23 of 2014 has been widely welcomed by provincial government and can readily expand what was done in Year 1.
- Operationalizing SEA/LCPs requires that some be updated to reflect changing institutional and environmental conditions.
- MSFs need to broaden their membership in comparison with IFACS MSFs to be truly multi-stakeholder while separating their trust-building function from the activities of working groups pursuing technical themes identified by and reporting to the MSFs.
- While LESTARI relations with local government are generally very good, too many LESTARI engagements take place at formal events rather than on a day-to-day basis. A special effort will be made to better embed LESTARI activities within partner agencies.
- The institutional challenge of establishing workable stewardship mechanisms in peatlands where KHG and KPH partially overlap, e.g., KHG14 / KPHXXXI to coordinate socially responsible behavior of local communities, private sector oil palm plantations, and local government agencies as well as outside agencies within the overlapping areas. Even intra-sectorally there are challenges, e.g., Provincial and District Public Works agencies operating in KHG14 have opened new canals.
- The social forestry initiatives provide ample opportunities for communities to acquire long term secured access to forests. With the recent commitment from Jokowi's administration to speed up the process of getting social forestry permits through simplifying the procedure, it is hoped that social forestry permits will be obtained faster in LESTARI landscapes. Nevertheless, LESTARI opens possibilities to pursue forms of co-management agreements such as partnership agreements with conservation area managers or private sector entities.
- With the dismantling of the National REDD+ Agency, there is a clear lack of national government leadership on MRV for REDD+ and other climate change mitigation efforts from the forest and land use sectors. Without this, provinces and other sub-

national entities face a difficult time engaging in any tangible climate change mitigation contributions and/or market opportunities. This also represents an ongoing constraint for LESTARI's climate change mitigation efforts at the landscape level.

- Regarding M&E, the challenge remains as to how to facilitate staff to have a deeper understanding about ToCs, indicators, and technical content. However, assistance from M&E team has been ensured to continue and remain accessible. In addition, the provision of briefs and papers has been effective in supporting understanding of technical content.
- The KPH roadmap at the national and provincial levels remains unclear, particularly with regards to the roadmap's integration with existing policies such as Law 23/2014 that delegates authority to the provincial level. This presents a challenge for LESTARI in terms of how to best structure its capacity building support for KPH.
- Law 5/1990 on biodiversity conservation requires updating to be more suitable to the current policy climate. LESTARI has facilitated publication consultation on the draft revision, but separate versions from Parliament and KLHK still need to be integrated.

This Annual Report includes a Bahasa Indonesia translation of the Executive Summary and presents a summary of Year 1 progress, challenges/opportunities, and priorities for the 3 LESTARI technical themes; 6 LESTARI landscapes; Project Coordination, Management, and Communications; Monitoring and Evaluation; Grants Fund; National Initiatives, and Gender Integration. Appendices at the end of the report include a Year 1 progress matrix, LESTARI results framework, LESTARI Landscape initiatives summary diagram, and an updated LESTARI staffing plan.



# RINGKASAN EKSEKUTIF

Laporan Tahunan (LT) merangkum kegiatan dan pencapaian dari Proyek USAID LESTARI selama Tahun 1, mulai 1 Oktober 2015 sampai 30 September 2016.

## HASIL TAHUN 1

Seluruh kegiatan LESTARI sesuai dengan Teori Perubahan (*Theory of Change*) atau ToC yang terkait dengan kegiatan yang berada di dalam setiap kelompok Pendekatan Strategis dan pada akhirnya akan memberikan kontribusi pada dua tujuan utama proyek, yakni: menurunkan 41% emisi GRK dari sektor pemanfaatan hutan dan lahan dan 8,42 juta hektar hutan, termasuk habitat orangutan, dengan pengelolaan yang lebih baik. Kedua indikator utama ini, meskipun tidak diukur pada Tahun 1, didukung oleh target yang ditetapkan pada level di bawahnya yang bertujuan untuk memperbaiki tata kelola pemanfaatan lahan dan hutan. Sejalan dengan ToC yang digunakan oleh LESTARI, hasil yang diharapkan akan menciptakan kondisi yang kondusif yang diperlukan untuk mencapai dua sasaran induk tersebut di atas. Ringkasan kemajuan LESTARI Tahun 1, per indikator AMEP, dirinci di bawah ini, sedangkan matriks kemajuan secara menyeluruh pada Tahun 1 disajikan pada Lampiran 1.

- 3 kebijakan publik diterbitkan untuk mengatasi masalah perubahan iklim dan/atau konservasi keragaman hayati (indikator #4)
- 1 KLHS yang berkualitas tinggi disusun untuk Provinsi Kalimantan Tengah dan satu KLHS dimutakhirkan untuk Kabupaten Mimika dan digunakan secara aktif untuk merevisi RTRW Mimika (indikator #6)
- 7 MSF telah diperkuat dengan SK Bupati untuk melembagakan forum MSF (indikator #7)
- 25 pelopor masyarakat telah ditunjuk (indikator #8)
- 120.551 orang dilibatkan untuk meningkatkan kesadaran mengenai Strategi Pembangunan Emisi Rendah atau LEDS (indikator #9)
- 971 orang mengikuti pelatihan mengenai manajemen sumber daya alam (indikator #12)
- USD 3.477.921 telah diinvestasikan untuk kegiatan mengatasi perubahan iklim (indikator #13)
- Telah diresmikan tonggak pertama untuk sektor perusahaan swasta dalam memperbaiki praktik pengelolaan sumber daya alam berupa penandatanganan 11 MoU antara LESTARI dan para pengusaha pemegang konsesi (indikator #15)
- 3 KPS baru dibentuk guna mendukung LEDS (indikator #16)

Indikator #4 (100%), #9 (12.000%), dan #12 (98%), #13 (173%), dan #16 (100%) hampir tercapai, tercapai atau melampaui target masing-masing pada Tahun 1. Indikator #6, #7, #8, dan #15 di bawah target akibat terdapat beberapa kendala secara kelembagaan dan secara operasional, termasuk kesulitan mengakses lokasi proyek di Papua dan menghadapi



kendala politis serta jadwal yang ditentukan oleh pemerintah daerah. Namun indikator-indikator yang tertinggal ini diharapkan dapat dikejar pada Tahun 2. Informasi lebih rinci disajikan pada bab kegiatan Program LESTARI Tahun 1.

## SOROTAN TAHUN 1 LESTARI

Pada tahun pertama pelaksanaannya, LESTARI telah berhasil menjalankan sejumlah kegiatan strategis antar tiga tema teknis yang membawa kemajuan yang terukur. Pada dua triwulan pertama dibangun landasan dasar proyek dengan meluncurkan proyek-proyek di seluruh lansekap, dengan sosialisasi kegiatan, penilaian teknis dan kegiatan awal di lapangan.

Kemudian pada dua triwulan berikutnya, difokuskan pada pendalaman kegiatan yang sudah berjalan dan memperkuat sinergi melalui pendekatan sub-lansekap. Pendekatan sub-lansekap ini menjadi peluang untuk melakukan replikasi pada semua lansekap proyek, memastikan keberlanjutan dari pelaksanaan program proyek, dan oleh karena itu diharapkan dapat meningkatkan kemungkinan terjadinya perubahan yang transformatif

Pada awal Tahun 1, dokumen-dokumen utama dari proyek telah dibuat dan disebarluaskan termasuk dokumen Landscape Baseline Analysis (Analisis Data Dasar Lansekap), Rencana Kerja Tahunan Pertama (*First Annual Work Plan*), Rencana Kegiatan Monitoring dan Evaluasi (*Activity Monitoring and Evaluation Plan*), dan Rencana Pengelolaan Hibah (*Grants Management Plan*). Dokumen-dokumen dasar ini menjadi dokumen penting untuk mengarahkan, menilai dan mendukung kegiatan LESTARI. Serangkaian penilaian teknis digunakan dalam perencanaan proyek dan dalam melakukan seleksi lokasi, termasuk kajian terhadap desa dan komoditas di Lansekap Leuser dan Katingan-Kahayan, kajian dampak kebakaran hutan pada perkebunan karet rakyat, Kajian Finansial PES/REDD+, Nota Konsep Singkil (*Singkil Concept Note*), dan Kajian Dampak Kebakaran Hutan dan Lahan.

Kebijakan penting yang berhasil disusun pada Tahun 1 mencakup: (1) Peraturan Gubernur yang membatasi penggunaan teknis pembakaran untuk membuka lahan di Kalimantan Tengah, (2) Peraturan Bupati di Aceh Tenggara yang memungkinkan pemanfaatan Dana Desa untuk konservasi hutan berbasis masyarakat, (3) suatu Qanun tentang perlindungan dan pengelolaan lingkungan di Aceh Selatan, dan (4) SK Dirjen mengenai penggunaan METT untuk menilai dan memperbaiki pengelolaan Kawasan Lindung (PA).

Selama Tahun 1, staff senior LESTARI telah memberikan dukungan dan bimbingan kepada para staff dan mitra kerja di lansekap proyek, meningkatkan kemampuan mereka agar dapat memberikan hasil kerja konservasi lansekap dan keragaman hayati yang menghasilkan dampak yang berkelanjutan. Manajemen senior dari proyek LESTARI juga telah menjalin kerja secara berkala dengan para sub-kontraktor untuk memastikan dukungan teknis yang efisien dan efektif untuk proyek. Program LESTARI MIS, dirancang dan dikelola dan diluncurkan untuk menjalankan operasi proyek, untuk berbagi informasi secara internal, dan melacak kegiatan lapangan di lansekap dengan cara yang efisien.

LESTARI senantiasa melakukan komunikasi yang jelas dan rutin dengan pihak USAID melalui pertemuan mingguan dan kunjungan lapangan. LESTARI juga secara berkala melakukan koordinasi dengan program USAID berbasis-lahan lainnya, terutama proyek BIJAK, agar dapat memfasilitasi komunikasi lintas proyek yang lebih luas, memprioritaskan kesempatan untuk kolaborasi yang lebih erat, dan lebih jelas menyelaraskan tema strategis dari program USAID dengan RENSTRA KLHK.

Selain itu, proyek LESTARI berkoordinasi dan sejalan dengan prioritas Pemerintah RI yang mencakup, tetapi tidak terbatas pada, memperbaiki nilai *METT*, Zonasi Kawasan Konservasi (CA), target hutan sosial, *One Map*, dan restorasi lahan gambut melalui koordinasi dengan



instansi di tingkat nasional (KLHK, BIG, BRG, dan ATR) dan di tingkat daerah. Perlu dicatat, bahwa dokumen RPP telah disetujui dan ditandatangani antara pihak LESTARI dan Direktorat Kawasan Konservasi dari Kementerian SDAE.

Dalam melaksanakan kegiatannya, LESTARI menerapkan strategi yang efisien dalam menggunakan serangkaian mekanisme, termasuk pola implementasi langsung, atau yang melalui sub-kontraktor, STTA, SA, dan Hibah. Pada Tahun 1, kegiatan Hibah terutama sangat banyak, termasuk pemberian penghargaan kepada organisasi lokal yang melakukan konservasi orangutan di Lansekap Leuser dan Katingan-Kahayan.

Menjelang akhir tahun, dilakukan kegiatan penyusunan Rencana Kerja Tahun 2 untuk semua lansekap yang mencerminkan hasil kemajuan dari Tahun 1 dan mengembangkan strategi dan kegiatan untuk Tahun 2 secara rinci. Dengan menyusun Rencana Kerja Tahun 2 yang rinci, maka akan mengurangi kebutuhan akan SOW berbasis proyek dan akan meningkatkan efisiensi.

Pada akhir tahun juga telah diselesaikan suatu Kajian Pembiayaan Terbatas bersama USAID/Indonesia OFM, yang menunjukkan kualitas sistem dan prosedur LESTARI.

Ringkasan Kemajuan Tahun 1 di wilayah kerja LESTARI di Lansekap Aceh, Kalimantan Tengah, dan Papua Lansekap disajikan di bawah ini. Perlu dicatat, kemajuan dari setiap alur ToC berbeda pada berbagai lansekap (contoh SA1: Kesadaran dan Pembinaan yang paling maju terjadi di Kalimantan Tengah karena pendampingan dari media dan kegiatan yang melibatkan masyarakat dipimpin oleh Mongabay). Rincian dari kemajuan tiap lansekap disajikan pada bagian lansekap pada laporan ini.

## Aceh

Di Aceh, upaya LESTARI difokuskan pada pelestarian hutan yang kaya nilai konservasi dan nilai keragaman hayati di dalam wilayah Taman Nasional Leuser melalui kolaborasi yang erat dengan pemerintah daerah, bersama pihak otoritas taman nasional, dan masyarakat lokal. Satu MoU telah ditandatangani oleh Dinas Kehutanan Provinsi, yang mewajibkan mereka untuk menjalankan kerjasama dalam rangka meningkatkan pengelolaan hutan yang lebih baik (KPHL) pada tingkat lansekap. Hasil kerja Tahun 1 pada lansekap ini yang didukung KPH, dan perjanjian pengelolaan bersama, serta pengelolaan yang lebih efektif dari Taman Nasional Leuser akan menjadi landasan dasar untuk mencapai target di wilayah yang berada dalam target konservasi pada Tahun 2 dan seterusnya.

Untuk meningkatkan efektifitas pengelolaan taman nasional, LESTARI memfasilitasi penyebaran *METT score*, menyelenggarakan pelatihan untuk para manajer Kawasan Konservasi, dan membantu menyusun rencana aksi guna memperbaiki *METT score*. Bersama dengan hal itu, LESTARI mendukung kegiatan nyata di lapangan guna membantu memonitor, mendeteksi, dan mencegah pembalakan liar dan pelanggaran hukum terkait satwa liar yang dilindungi. Dengan dipimpin oleh WCS, LESTARI menyelenggarakan pelatihan dan peluncuran Patroli SMART yang bertujuan untuk melindungi habitat satwa liar dan melakukan monitoring agar para manajer Kawasan Konservasi dapat bertindak lebih cepat secara strategis. Suatu Unit Tanggap Cepat untuk Satwa Liar mulai beroperasi agar dapat langsung berhubungan dengan masyarakat dalam mengatasi konflik antara manusia dan satwa liar, sementara terdapat juga satu Unit Pemantauan Pelanggaran Hukum terkait perdagangan satwa liar yang dilindungi. Kamera pelacak dipasang untuk memonitor penyebaran dan jumlah populasi dari spesies satwa yang berada di Taman Nasional agar dapat menentukan wilayah mana yang paling tepat untuk melakukan upaya konservasi alam.

Terkait dengan pihak pemerintah daerah, LESTARI telah menandatangani MOU dengan Kabupaten Aceh Barat Daya, dan setelah itu memenuhi permintaan pihak pemerintah untuk

membantu menyusun suatu strategi untuk model percontohan RDTR. RDTR merupakan rencana tata ruang pada tingkat daerah, memfasilitasi masyarakat daerah dan pihak sektor swasta untuk membangun rasa memiliki. Terkait dengan wacana mengenai reformasi kebijakan publik, LESTARI mendukung diadakan konsultasi publik untuk suatu Kebijakan yang baru untuk Dana Lingkungan Hidup di Aceh Tenggara yang merupakan hasil dari proyek sebelumnya yakni proyek IFACS KLHS. Setelah diadakan pertemuan teknis, Bupati membentuk tim teknis untuk merumuskan SK Bupati di Aceh Tenggara untuk dapat mengelola dan memanfaatkan Dana Desa bagi kegiatan konservasi hutan yang berbasis masyarakat.

Wacana publik untuk Kebijakan Baru mengenai Lingkungan Hidup di Aceh Selatan juga diperoleh dari dokumen KLHS. Tim teknis yang terdiri dari anggota MSF mulai mempersiapkan suatu draft Qanun / Perda untuk diserahkan kepada DPRD untuk Pengelolaan Lingkungan Hidup di Selatan dengan mengutamakan Lansekap Leuser. Qanun merupakan implementasi dari Undang-undang No 32/2009 tentang Perlindungan dan Pengelolaan Lingkungan Hidup, yang mengatur pemerintah kabupaten dalam hal merencanakan, memanfaatkan dan melindungi lingkungan hidup terutama pada 4 ekosistem yang khusus: sungai, daerah pesisir, lahan gambut, dan Kawasan Ekosistem Leuser.

Mengingat besarnya jumlah masyarakat yang tinggal di zona penyangga di Taman Nasional Leuser, maka dukungan untuk program pengelolaan bersama hutan diutamakan dan diutamakan selama Tahun 1. Pertama, LESTARI membantu menyusun draft rencana pembangunan desa jangka menengah (RPJMDes) yang memasukkan pengelolaan bersama konservasi lingkungan hidup dan konservasi air dalam visi di tiga desa percontohan. Kedua, LESTARI melakukan kajian awal mengenai hutan rakyat di wilayah Menggamat. Karena mendapat dukungan sepenuhnya dari para pemangku adat, LESTARI akan mendukung 13 desa di lansekap ini agar memperoleh izin untuk mengelola kawasan ini melalui program hutan sosial. Ketiga, LESTARI mulai mendukung 2 FMU di Lansekap Leuser dalam menyelenggarakan konsultasi publik untuk menghimpun masukan dari public dalam membuat rencana jangka panjang di tingkat kabupaten. Kerjasama dengan FMU menunjukkan perlu ada dukungan yang lebih komprehensif untuk mengembangkan kelembagaan dan kemampuan, sehingga ini menjadi prioritas LESTARI pada Tahun 2.

Dalam membangun sinergi melalui program pengelolaan bersama (*co-management initiatives*), LESTARI juga mendukung program untuk memfasilitasi masyarakat setempat agar dapat menjalankan mata pencaharian yang berkelanjutan di kawasan strategis, zona penyangga agar dapat mengurangi perambahan hutan dan kerusakan hutan di Lansekap Leuser. Telah dibentuk suatu Kemitraan Pemerintah Swasta (KPS) dan diluncurkan bersama dengan PT Kampung Kearifan Indonesia (Javara) yang mendukung budidaya kakao organik. KPS ini bertujuan meningkatkan kehidupan petani dengan memastikan harga jual yang lebih baik, akses pasar yang lebih mudah, praktik pertanian yang juga lebih baik.

Terakhir, LESTARI melanjutkan landasan yang sudah terbangun oleh proyek IFACS mengenai program yang terkait ekowisata yang dapat mendukung model pembiayaan yang berkelanjutan untuk konservasi di Lansekap. Dengan memanfaatkan hasil temuan dari survei ekowisata IFACS yang dilakukan melalui IDguides dan INDECON sebagai titik awal, tim LESTARI melakukan pemetaan dengan mengajak partisipasi para pemangku kepentingan dan beberapa lokasi ekowisata yang berpotensi untuk dikembangkan lebih lanjut. Kegiatan ini mencakup kegiatan yang mengidentifikasi kepentingan pemerintah daerah dan mengidentifikasi lokasi yang berdekatan yang dapat dimasukkan sebagai tujuan ekowisata. Kegiatan ini akan berlanjut seiring dengan perkembangan model bisnis ekowisata yang menjadi prioritas tertinggi pada daftar proyek yang terpilih.

## Kalimantan Tengah

Mengingat akibat kebakaran hutan dan lahan pada tahun 2015 yang menyebabkan dampak pada kesehatan, kehidupan dan kerugian ekonomi serta peningkatan yang pesat dari emisi GRK serta terjadi kehilangan keragaman hayati, terutama satwa orngutan dan habitat orngutan, LESTARI mengutamakan kegiatan di Lansekap Katingan-Kahayan selama Tahun 1. Fokus kegiatan dipusatkan pada wilayah selatan lansekap di Kabupaten Pulang Pisau, dengan menggunakan analisis GIS dan gambar dari hasil pemotretan *drone* yang menunjukkan jumlah titik api yang sangat banyak di hutan dan di lahan gambut yang menghancurkan kawasan masyarakat setempat. Oleh karena itu, ketiga tema teknis diarahkan untuk mengedepankan pengelolaan kebakaran yang terintegrasi dan restorasi lahan gambut, berkoordinasi dengan BRG serta mendukung kegiatan prioritas BRG.

Hasil kerja Tahun 1 pada lansekap ini -yang mencakup perbaikan manajemen Taman Nasional Sebangau, dan memberi pelatihan konsesi kayu pada RIL-C, serta adanya perjanjian pengelolaan bersama- akan menjadi landasan untuk mencapai perbaikan daerah konservasi pada target wilayah yang terukur selama Tahun 2 dan seterusnya.

Upaya peningkatan kesadaran dan pembinaan secara konsisten difokuskan pada upaya sosialisasi atau komunikasi kepada masyarakat umum dan juga kepada para pembuat kebijakan. Suatu Kajian atas Dampak Kebakaran Hutan dan Lahan dilakukan untuk memperoleh data kuantitatif dan data mengenai dampak pada kesehatan dan kehidupan masyarakat setelah kebakaran. Bersamaan dengan itu, telah dibuat serial video dan kisah Pahlawan Kebakaran dari Lapangan yang disebar untuk mengangkat kisah-kisah setempat dan orang-orang Unggulan LESTARI (*LESTARI Champions*), yang kemudian menjadi terkenal karena mendapat dukungan dan promosi dari LESTARI. Sebagai contoh, Menteri KLHK, Ibu Siti Nurbaya, secara khusus ingin menonton video singkat yang dibuat oleh LESTARI mengenai Pak Sumarjito. Ibu Siti kemudian bertemu Pak Sumarjito untuk mengetahui lebih banyak mengenai latar belakang beliau dan bagaimana beliau secara aktif mempromosikan praktik pembukaan lahan tanpa membakar. Sebagai akibat dari peliputan media, Pak Sumarjito menjadi semakin terkenal dan dengan demikian pesan mengenai solusi untuk mengelola lahan secara berkelanjutan semakin tersebar kepada khalayak umum.

Terkait dengan tata kelola hutan dan pemanfaatan lahan yang lebih baik, salah satu pencapaian utama LESTARI dalam Tahun 1 pada lansekap ini adalah dukungan untuk menyusun KLHS tingkat provinsi di Kalimantan Tengah. Hal ini merupakan inisiatif yang didorong oleh pihak pemerintah, sebagai tanggapan atas permintaan BAPPEDA untuk menyusun KLHS yang baru untuk RPJMD bagi Gubernur yang baru. KLHS ini mendapat pengakuan baik dari pemerintah daerah maupun dari pemerintah pusat karena dihasilkan secara tepat waktu dan karena kualitasnya baik. KLHS mengangkat beberapa masalah penting yang berdampak pada Lansekap Katingan-Kahayan termasuk rekomendasi yang dipusatkan pada 6 program prioritas (KRP) untuk dimasukkan dalam draft RPJMD. Dalam tiap KRP, KLHS memberikan rekomendasi yang langsung terkait konservasi hutan. Hal ini mencakup percepatan dan penguatan KPH di kawasan rentan berdasarkan peta ekologi dan bukan berdasarkan batas-batas wilayah administratif, mencabut izin perkebunan di hutan yang bernilai konservasi tinggi dan yang di wilayah lahan gambut, percepatan izin hutan sosial, dan menyelesaikan masa hak guna di kawasan hutan dengan mekanisme IP4T (*Inventarisasi Penguasaan, Pemilikan, Penggunaan, dan Pemanfaatan Tanah*). Dokumen KLHS akan menjadi bagian dari Perda RPJMD dan menjadi arus-utama dalam Renstra di SKPD pada Tahun 2. Karena hal ini merupakan proses yang berulang, KLHS berhasil mempengaruhi para penyusun RPJMD untuk mencantumkan secara eksplisit referensi LEDS (Strategi Pembangunan Emisi Rendah) dan aksi lanjutannya dalam rencana pembangunan ekonomi yang final.

Berkaitan dengan KLHS, adanya perangkat untuk melakukan uji (*screening*) keberlanjutan yang berbasis laman (*web-based sustainability screening tool*) atau SST, dipusatkan di Pulang Pisau di mana terjadi kerusakan paling parah akibat pemberian izin yang salah dan di mana terdapat risiko paling tinggi dari emisi GRK di seluruh lansekap di wilayah kerja LESTARI. Dengan melibatkan para pemangku kepentingan bersama pihak instansi pemerintah di Pulang Pisau dan provinsi Kalimantan Tengah, maka data perizinan dan pemanfaatan lahan dapat diperoleh sehingga dapat terbuka dan dipelajari oleh publik secara efektif. Perangkat SST yang berbasis laman (*web-based*) saat ini digunakan untuk membantu proses perencanaan di tingkat desa dalam mengelola/mengatasi kebakaran hutan dan lahan secara terpadu, mengidentifikasi daerah berisiko agar dapat dilakukan persiapan untuk menekan kebakaran, dan menetapkan kawasan ketahanan pangan yang tepat. Perangkat SST akan beralih dari bentuk protipe menjadi perangkat yang lengkap setelah dikembangkan pada Tahun 2.

Kegiatan yang signifikan selama Tahun 1 juga diarahkan langsung untuk mendukung upaya restorasi lahan gambut yang bertujuan untuk menanggulangi risiko kebakaran hutan dan banjir. Bekerjasama dengan Badan Restorasi Gambut (BRG), LESTARI membantu melakukan kajian hidrologis cepat seluas 440.000 hektar Blok C (KHG 14), di Pulang Pisau agar dapat menentukan secara tepat di mana lokasi bendungan kanal yang utama yang harus dibuat. Bendungan ini akan membantu merestorasi fungsi hidrologis dari lahan gambut dengan menaikkan level air pada musim kering dan mengelola banjir pada musim hujan. Selain itu, sebuah visualisasi tahapan (*storyboard visualization*) dibuat untuk disampaikan sebagai informasi bagi para pemangku kepentingan mengenai dampak dari bendungan ini terhadap lansekap, yang mendapat dukungan sepenuhnya dari Forum MSF Pulang Pisau. Estimasi biaya pembangunan dam juga telah diselesaikan disertai rencana implementasi selama musim kering pada pertengahan 2017. Namun sebelum melangkah lebih lanjut, akan perlu memberi perhatian yang cukup besar pada penguatan dukungan masyarakat dan pemerintah daerah, melaksanakan FPIC yang teliti, dan memastikan bendungan-bendungan yang dibangun tetap bertahan sesuai standar pedoman USAID.

Mengenai program pengelolaan bersama masyarakat, LESTARI membantu menyusun RPJMDes pada 5 desa percontohan yang memasukkan pengelolaan kebakaran terpadu, sistem zonasi dan visi pengelolaan hutan secara kolaboratif ke dalam rencana pembangunan mereka. Bersamaan dengan hal itu, LESTARI memfasilitasi pengajuan permohonan izin pengelolaan hutan sosial bagi 14 desa ke KLHK agar memastikan masyarakat dapat mengakses hutan dan sumber daya hutan.

Berkaitan dengan pengelolaan kawasan hutan lindung, LESTARI terus memberi dukungan untuk implementasi perangkat METT dalam menilai secara kuantitatif dan memonitor kinerja manajemen dan mengoptimalkan pemanfaatan sumber daya agar melindungi sumber daya alam di kawasan hutan lindung. Lokakarya METT diselenggarakan bagi para staff Taman Nasional Sebangau dan Bukit Baka Bukit Raya sebagai sosialisasi hasil penilaian menggunakan angka METT agar meningkatkan rasa memiliki dari para pengelola Kawasan Konservasi terhadap hasil METT, sehingga membangun komitmen mereka untuk memperbaiki nilai METT dan menyusun suatu rencana aksi untuk memperbaiki angka METT tersebut. LESTARI juga mendukung integrasi rencana zonasi dari Taman Nasional Bukit Baka Bukit Raya dan Sebangau menjadi Kebijakan Satu Peta (*One Map policy*). Selain itu, penerima hibah BOSF LESTARI berhasil merehabilitasi dan melepaskan kembali 8 orangutan ke Taman Nasional Bukit Baka Bukit Raya.

Terkait pengembangan mata pencaharian yang berkelanjutan di wilayah strategis, dilakukan asesmen di lansekap Katingan-Kahayan yang menghasilkan terpilihnya desa target untuk konservasi dan perusahaan hijau (*green enterprises*) atau Kemitraan Pemerintah Swasta. Hasil karet dari perkebunan rakyat merupakan komoditas lokal yang pertama dikembangkan dengan mekanisme KPS. Selain memusatkan perhatian pada rehabilitasi perkebunan

rakyat, KPS ini bertujuan mendidik para petani menerapkan Praktik Pertanian yang baik (*Good Agricultural Practices*) atau GAP dan mengelola kebakaran hutan untuk mengurangi risiko kebakaran sementara juga memperbaiki teknik memanen mereka sehingga dapat memperbaiki harga jual produk karet mereka. Mitra kerja dalam hal ini termasuk Bank Indonesia yang membantu mendirikan balai pengeringan karet dan lahan demo tanaman karet, menyediakan peralatan dan pupuk organik, dan pabrik penampung karet yang menjadi pembeli.

Mengingat banyaknya pihak swasta yang berusaha di atas lahan hutan dan terdapat emisi GRK dan ancaman pada keragaman hayati pada lansekap ini, maka upaya yang dilakukan pada Tahun 1 dipusatkan pada identifikasi peluang yang mendukung sektor swasta menerapkan Praktik Manajemen Terbaik (*Best Management Practices*) atau BMP.

Telah dilakukan penanda-tanganan MOU dengan 9 pemegang konsesi kayu dengan memberikan pelatihan mengenai *Reduced Impact Logging to Reduce Carbon Emissions* (RIL-C), konservasi pada lahan yang memiliki nilai konservasi tinggi (HCV), dan pengelolaan bersama masyarakat. Pelaksanaannya akan mulai awal Tahun 2.

Pada bagian akhir, LESTARI menjajaki program terkait ekowisata dalam tahun pertama agar dapat mendukung model pembiayaan yang berkelanjutan untuk konservasi di lansekap Katingan-Kahayan. Tim LESTARI bekerja dengan pemangku kepentingan dari tim lansekap, pemerintah daerah, taman nasional, masyarakat dan sektor swasta secara partisipatif dalam melakukan pemetaan atas peluang ekowisata yang sudah ada dan yang potensial di Taman Nasional Sebangau, Taman Nasional Bukit Baka Bukit Raya, dan Pulang Pisau. Kegiatan ini akan berlanjut dengan berkembangnya model usaha ekowisata yang menjadi prioritas tinggi bagi proyek yang terpilih.

## Papua

Di Papua, kegiatan di Tanah Rendah Lorentz dan Lansekap Cyclops dipusatkan pada peningkatan kapasitas pengelola Kawasan Konservasi dan pemberian dukungan bagi program pengelolaan bersama masyarakat di wilayah penyangga. Di Mappi-Bouven Digoel, kegiatan proyek mencakup penilaian atas perkembangan mata pencarian yang berkelanjutan dan pembatasan pemanfaatan lahan. Di Lansekap Sarmi, sudah ditandatangani MOU dengan 2 perusahaan pemegang konsesi kayu untuk bekerjasama menerapkan BMP. Namun mengingat situasi politik di Kabupaten Sarmi, kegiatan LESTARI yang terkait program tata kelola dan kegiatan yang melibatkan masyarakat untuk melindungi hutan ditunda tanpa batas waktu tertentu.

Kegiatan Tahun 1 di Papua termasuk perjanjian pengelolaan bersama, untuk pelatihan RIL-C bagi para pemegang konsesi, dan perbaikan manajemen di Cagar Alam Cyclops akan menjadi landasan untuk mencapai target konservasi yang terukur pada Tahun 2 dan seterusnya.

Di lansekap Cyclops, LESTARI berhasil menyelenggarakan acara peluncuran lansekap Papua bersama Gubernur Papua dan Duta Besar Amerika Serikat. Bersamaan dengan acara peluncuran ini, LESTARI mendukung finalisasi deklarasi kolaborasi pengelolaan Cagar Alam Cyclops dan memfasilitasi penanda-tanganan deklarasi tersebut. Deklarasi ditanda-tangani oleh berbagai pemangku kepentingan pada acara peluncuran LESTARI di Jayapura, termasuk BKSDA, pemerintah provinsi dan kabupaten, pihak swasta, dan wakil dari masyarakat adat yang tinggal di dalam dan di sekitar Cagar Alam. Untuk melaksanakan perjanjian tersebut, LESTARI memfasilitasi penyusunan draft perBup tentang pengelolaan zona penyangga agar memastikan komitmen jangka panjang (termasuk alokasi anggaran) dari pihak pemerintah kabupaten. LESTARI juga mulai memberikan percontohan program pengelolaan bersama di 3 desa melalui pembuatan peta secara partisipatif.



Guna meningkatkan efektivitas pengelolaan Taman Nasional Lorentz dan Cagar Alam Cyclops, LESTARI memfasilitasi sosialisasi perangkat uji METT, memberikan pelatihan bagi para pengelola Kawasan Konservasi dan membantu menyusun rencana aksi untuk memperbaiki nilai METT. Bersama dengan itu, LESTARI membantu menyelenggarakan pelatihan dan melaksanakan Patroli SMART di Cagar Alam Cyclops agar dapat memperbaiki perlindungan habitat satwa liar dan kegiatan monitoring. Pelatihan dan pelaksanaan Patroli SMART direncanakan untuk Taman Nasional Lorentz pada Tahun 2.

Pada Lansekap Tanah Rendah Lorentz, dilakukan kajian lingkungan dan ketahanan sosio-ekonomi, yang menghasilkan beberapa desa terpilih sebagai percontohan untuk program pengelolaan bersama. Selain itu, LESTARI memfasilitasi penyusunan perjanjian kemitraan antar multi-pemangku kepentingan guna mendukung konservasi keragaman hayati di dalam dan di sekitar Taman Nasional Lorentz, yang ditandatangani oleh BKSDA Papua. Taman Nasional Lorentz, Pemerintah Kabupaten Mimika, wakil masyarakat *adat* (LEMASKO dan kepala desa Fanamo), PT Freeport, dan LESTARI.

Dalam melaksanakan KLHS/RKL, LESTARI mendukung proses revisi KLHS/Strategi Pembangunan Emisi Rendah di Mimika yang mencantumkan ancaman baru yang dihadapi pada lansekap. Proses ini dikelola oleh Bappeda dan memasukkan hasil analisis dari para ahli dan hasil dari konsultasi publik memanfaatkan forum MSF. LESTARI memanfaatkan kesempatan melakukan revisi rencana tata ruang 2015 untuk mendorong perhatian pada KLHS dan mempromosikan penggunaan dokumen KLHS. LESTARI akan memprioritaskan agar melakukan pemutakhiran rencana tata ruang Mimika, melalui forum MSF dengan diadakan konsultasi publik yang bersifat terbuka luas dan inklusif.

Selama Tahun 1, LESTARI mendukung forum MSF yang terbuka luas dan bersifat inklusif di Kabupaten Mimika, Asmat, Mappi, dan Bouven Digoel untuk membahas masalah terkait keberlanjutan lansekap. Untuk mendukung akuntabilitas internal dan memperkuat pemahaman atas peran forum MSF serta prosedur operasional MSF, maka disusun protocol yang disederhanakan dan dibuat standardisasi dengan membuat laporan yang menggunakan format laporan tertentu dan diberikan pedoman petunjuk. Kabupaten Mimika setuju untuk melakukan konsolidasi dari semua forum MSF yang telah ada agar menyatu di bawah dukungan LESTARI. Hasil utama dari diskusi forum MSF mencakup: pemanfaatan forum MSF untuk melakukan revisi secara partisipatif terhadap RTRW dan membangun kesadaran akan nilai konservasi yang tinggi bagi pengembangan Rencana Konservasi Lahan (LCP) di Mappi dan Bouven Digoel; pengembangan Kelompok Kerja Perempuan dan revisi RTRW secara partisipatif di Mimika; dan partisipasi dalam melakukan survei terhadap penyu berhidung babi (pig-nosed turtle - *Carettochelys insculpta*) dan pelatihan pengelolaan mangrove bagi perempuan di Asmat.

Pada Lansekap Mappi-Bouven Digoel, dilakukan asesmen awal tentang potensi investasi untuk pengembangan mata pencaharian yang berkelanjutan berbasis komoditas lokal. Hasil dari asesmen ini adalah suatu rencana strategis untuk membina kemitraan dengan pihak swasta dalam mengembangkan dan memperbaiki kehidupan masyarakat lokal. Kegiatan ini akan digabungkan dengan hasil asesmen kecocokan lahan yang digunakan untuk menyusun rencana strategis di seluruh lansekap yang mendukung program lansekap utama: pembatasan pemanfaatan lahan. Hasil akhir akan dibagi dan dibahas dalam forum MSF dengan pemangku kepentingan yang terkait selama triwulan pertama pada Tahun 2.

Pada tingkat provinsi, LESTARI melakukan perbaikan pada Sistem Tata Ruang Papua (SIMTARU). SIMTARU bertujuan membantu mencapai para SKPD saling bertukar informasi yang dinamis dan transparan pada SDI di tingkat provinsi dan kabupaten di dalam wilayah lansekap LESTARI. SIMTARU menjadi tahapan penting sebagai landasan dalam proses pemberian izin pengelolaan sumber daya alam dengan cara memberikan pelatihan bagi



petugas unit *one-stop-shop* di Papua pada tingkat provinsi agar dapat mengintegrasikan data dengan SDI. Selain itu, SIMTARU memperkuat kaitan data geospasial antara tingkat provinsi dan di tingkat Kabupaten Sarmi dan Mimika. Tim LESTARI memfasilitasi penandatanganan dokumen MoU antara Gubernur dan BIG yang secara eksplisit merujuk SIMTARU, selain itu memfasilitasi dua SK Gubernur mengenai mengembangkan SIMTARU, satu tentang pembentukan SIMTARU dan yang satu tentang pemberian izin pengelolaan sumber daya alam. Langkah fundamental berikutnya untuk menjalankan SIMTARU adalah pengesahan SK Gubernur tentang pembentukan SIMTARU.

Terakhir, kegiatan komunikasi, pendampingan dan pengelolaan pengetahuan LESTARI bersifat dinamis dan lintas sektor selama Tahun 1 di seluruh lansekap, dengan secara efektif mendokumentasikan dan melakukan sosialisasi hal-hal utama, pencapaian proyek, praktik terbaik, dan pembelajaran bagi masyarakat luas baik di tingkat internasional maupun di tingkat lokal. Hal ini memperkuat pesan dari tema teknis yang disebarkan dan mempromosikan kegiatan LESTARI, serta mendukung pembentukan konstituen yang efektif untuk konservasi.

## TANTANGAN, PELUANG, DAN PEMBELAJARAN PADA TAHUN 1

- Awal mula yang agresif pada Tahun 1 mengakibatkan terjadi keadaan di mana secara teknis para pemangku kepentingan tidak saling berbagi informasi (*Technical silos*). Namun seiring dengan berjalannya Rencana Kerja Tahun 2, berbagai komponen dan kegiatan mulai bersinergi sehingga dapat menghasilkan dampak yang signifikan. Kegiatan transformatif yang terintegrasi pada sub-lansekap diperlukan sehingga dapat dilakukan replikasi pada seluruh lansekap proyek.
- Kegiatan yang lebih terperinci pada Rencana Kerja Tahun 2 dapat mengurangi ketergantungan pada SOW yang berbasis proyek dan memastikan kerja berdasarkan aspek teknis yang rutin.
- Memastikan para staf dan mitra kerja memahami dan menggunakan ToC terbaru sehingga intervensi LESTARI menunjukkan adanya keterkaitan antara kerusakan hutan dan memperbaiki konservasi keragaman hayati sebagai target secara keseluruhan proyek.
- Keterlibatan LESTARI di tingkat provinsi sesuai dengan UU no. 23 tahun 2014 sudah diterima dengan baik oleh pemerintah provinsi sehingga siap untuk mengembangkan hal-hal yang sudah dilakukan pada Tahun 1.
- Dalam melaksanakan KLHS/RENCANA KONSERVASI LAHAN (RKL) perlu dilakukan pembaharuan yang dapat mencerminkan perubahan yang terjadi pada level lembaga maupun perubahan kondisi yang terjadi pada lingkungan.
- Forum MSF perlu memperluas keanggotaannya seperti pada forum IFACS MSF agar menjadi benar-benar banyak pemangku kepentingannya, sementara MSF tetap memisahkan fungsi membangun kepercayaan di antara para pemangku kepentingan dan memisahkan kegiatan kelompok kerja yang menginginkan tema teknis yang ditentukan oleh MSF dan dilaporkan ke MSF.
- Meskipun hubungan antara LESTARI dan pemerintah setempat cukup baik, namun keterlibatan LESTARI lebih banyak pada acara formal dibandingkan dengan kegiatan

sehari-hari. Maka diperlukan suatu upaya khusus agar lebih banyak melibatkan LESTARI pada kegiatan dengan pihak pemerintah.

- Tantangan kelembagaan yang dihadapi adalah terciptanya mekanisme kerja manajemen pada lahan gambut di mana KHG dan KPH sebagian tumpang tindih, misalnya KHG14 / KPHXXXI untuk melakukan koordinasi perilaku sosial yang bertanggung-jawab dari masyarakat, juga dari pihak perusahaan perkebunan kelapa sawit swasta, dan dari pihak pemerintah daerah serta pihak luar yang terlibat dalam kawasan tersebut. Tantangan lain yang juga ditemui di tingkat sektor (intra-sektor) adalah misalnya Kantor Dinas Pekerjaan Umum di tingkat Provinsi dan tingkat Kabupaten yang bekerja di KHG14 telah membangun kanal baru.
- Program hutan sosial memberikan cukup peluang bagi masyarakat untuk memanfaatkan hutan secara jangka panjang. Dengan komitmen baru Pemerintahan Jokowi untuk mempercepat proses mendapatkan izin hutan sosial dengan membuat prosedur yang lebih sederhana, maka diharapkan izin hutan sosial dapat lebih cepat diperoleh pada lansekap LESTARI. Namun demikian, LESTARI membuka peluang untuk membangun kesepakatan pengelolaan bersama dengan para pengelola kawasan konservasi atau pihak swasta.
- Dengan dibubarkan Lembaga REDD+ di tingkat nasional, terlihat jelas kurangnya pengarahan dari pemerintah pusat dalam hal MRV untuk REDD+ dan upaya mitigasi perubahan iklim lainnya untuk hutan dan pemanfaatan lahan. Tanpa adanya pengarahan pemerintah pusat, maka pemerintah provinsi dan lembaga daerah lainnya akan sulit memberikan kontribusi pada upaya mitigasi perubahan iklim yang nyata dan/atau meraih peluang pasar. Hal ini juga mencerminkan kendala yang terus menerus dihadapi LESTARI dalam upaya mitigasi perubahan iklim pada level lansekap.
- Tantangan terkait M&E adalah bagaimana memfasilitasi para staf untuk memiliki pemahaman yang lebih dalam terhadap ToC, indikator, dan pengetahuan teknis. Namun demikian, bantuan dari tim M&E akan tetap berjalan dan mudah diakses. Selain itu, pembagian dokumen ringkasan (*brief*) telah efektif membantu staf untuk memahami pengetahuan teknis.
- Peta jalan KPH pada tingkat pusat dan provinsi terutama dalam mengintegrasikan peta tersebut ke dalam peraturan yang berlaku seperti UU no. 23 tahun 2014 yang melimpahkan wewenang pada tingkat provinsi. Hal ini menjadi tantangan bagi LESTARI dalam hal menetapkan bentuk program pengembangan kapasitas bagi KPH.
- UU no. 5 tahun 1990 tentang konservasi keragaman hayati membutuhkan penyesuaian agar selaras dengan kebijakan iklim yang berlaku. LESTARI telah memfasilitasi konsultasi publik untuk merevisi rancangan UU ini. Namun perlu dilakukan penggabungan versi rancangan DPR dan versi KLHK.

Laporan Tahunan ini dibuat dalam versi terjemahan Bahasa Indonesia yang meliputi Ringkasan Eksekutif dan menyajikan ringkasan kemajuan Tahun 1, tantangan/peluang, dan prioritas bagi 3 tema teknis LESTARI; 6 lansekap LESTARI; Koordinasi, Manajemen, dan Komunikasi Proyek; Monitoring dan Evaluasi; Dana Hibah; Program Nasional, dan Integrasi Gender. Lampiran pada bagian akhir laporan meliputi matriks kemajuan Tahun 1, kerangka pencapaian hasil LESTARI, diagram ringkasan Program Lansekap LESTARI, dan rencana susunan kepegawaian LESTARI terbaru.



Figure 2. Peta Lanskap LESTARI

# LESTARI YEAR 1 PROGRAM ACTIVITIES

In its first year of implementation, LESTARI was successful in launching a broad array of dynamic and evidence-based activities across all three technical themes that brought about measureable progress. The first two quarters were foundational and largely involved project launches, socialization activities, assessments, and field activity start-up. The latter two quarters focused on deepening existing activities and scaling up synergies through a sub-landscape approach. This sub-landscape approach provides opportunities for replication across the entire landscape, ensures sustainability of project interventions, and therefore, increases the likelihood of transformative change.

All LESTARI activities were consistent with the respective Theory of Change (ToC) under each Strategic Approach and will ultimately contribute to the project's primary two goals: 41% reduction in GHG emissions from forest and land use sectors and 8.42 million hectares of forest, including orangutan habitat, under improved management. These two key indicators, although not measured within Year 1, were supported through lower level targets aimed at improving land use governance and forest management. In line with LESTARI's ToC, it is expected that these outcomes will create the enabling conditions necessary to ultimately achieve the two overarching goals

A summary of LESTARI Year 1 progress, per AMEP indicator, is listed in the table below. The full Year 1 progress matrix can be found in the appendices of this document.

SUMMARY OF YEAR 1 PROGRESS			
Indicator Measured	Y1 Target	Y1 Actual	% Y1 Target Achieved
#4 – public policies introduced addressing climate change and/or biodiversity conservation	3	3	100%
#6 – sub-national government incorporating high quality SEA-LEDS and LCPs	2	0	30% based on milestones (1 KLHS developed for Central Kalimantan Province and 1 updated for Mimika District)
#7 – MSF operationalized	2	0	40% based on milestones (7 MSFs have Bupati Decree for MSF institutionalization)
#8 – community champions engaged	50	25	50%
#9 – people reached by LESTARI communications outreach programs	1,000	120,551	12,055%
#12 – people receiving USG supported training in natural resource management and/or biodiversity conservation	1,000	971	98%
#13 – investment mobilized for climate change	2,000,000	3,477,921	173%
#15 – private sector firms with improved management practices	2	0	40% based on milestones (11 MOUs signed between LESTARI and concessionaries)
#16 – new PPPs formed	3	3	100%

More than half of the Year 1 targets were nearly met or exceeded. Indicators #4 (100%), #9 (12,000%), and #12 (98%), #13 (173%), and #16 (100%) nearly met, met, or exceeded their respective Year 1 targets. Notably, for indicator #9, the LESTARI team did not predict the power of social media outreach activities, reaching 12,000% of the Year 1 target. Hence the target for this indicator has been revised up significantly for Year 2 and beyond.

Indicators #6, #7, #8, and #15 fell short due to various institutional and operational challenges. However, these indicators are expected to be caught up within Year 2. For indicator #6, the process to incorporate SEA-LEDS and LCPs into RPJMD both in Central Kalimantan and Mimika depended on the local government interim processes and procedures. KLHS in Central Kalimantan was finalized in Year 1 but the provincial government has not enacted the RPJMD. Central Kalimantan will integrate KLHS as a supplement for RPJMD and in 8 related SKPDs in Year 2. Meanwhile, the Mimika government has just established a working group to integrate KLHS into RTRW revision. Indicator #8 fell short mainly due to operational challenges of reaching Papua project sites within Year 1, as community champion targets were mostly on track for Leuser and Katingan-Kahayan Landscapes. Indicators #7 and #15 fell short, but are on track based on milestone progress. Year 1 MSF focus was placed on revitalizing MSFs and instilling effective structure and operation. Regarding BMPs, Year 1 focus was on mapping and initiating opportunities for collaboration for RIL-C training, which is a time-intensive training process.

The Year 1 progress under each Technical Theme is presented in this section, along with implementation challenges and opportunities and Year 2 priorities. Further details of how specific activities were implemented can be found in the landscape sections.



# TECHNICAL THEME 1: FOREST & LAND USE GOVERNANCE & ADVOCACY

## Overview

Year 1 improved landscape governance initiatives, supported by awareness and advocacy, nurtured a shared vision for sustainable land use through close collaboration with local government, MSF, private sector, media and journalists, and local communities. Work involving improved spatial and development planning, revitalizing broad-based MSFs that can better advocate for policy change, and strengthened media and journalist networks sought to foster enabling conditions for improved forest and land use management within LESTARI landscapes.

LESTARI's theory of change for this technical theme is that through strengthened governance and advocacy (including inclusive and transparent planning, budgeting and increased funding, natural resource licensing, and monitoring and enforcement), biodiversity will be conserved and emissions ultimately reduced in LESTARI landscapes.



## LESTARI 1 – Awareness and Advocacy

### Year 1 Progress

Recognizing the importance of strategic interventions in the foundational first year of LESTARI, alongside a wide range of initiatives across the landscapes, special awareness and advocacy emphasis was placed on the major immediate threats to biodiversity conservation and GHG emissions. This was targeted within Leuser and Katingan-Kahayan Landscapes, as revealed by the Landscape Baseline Analysis and range of technical assessments and on-the-ground experiences related to fire, peatlands, and biodiversity. Hence particular attention was given to high-vulnerability areas, e.g., Leuser National Park and its buffer zone area in Aceh and degraded peatlands of Pulang Pisau District, Central Kalimantan.

In line with the ToC process for SA 1, the Advocacy and Communications team first developed a comprehensive engagement strategy aimed at both general and targeted audiences. LESTARI intended to inform and influence its key audience including GoI, local



communities, MSF, media, private sectors, traditional and religious leaders, and the general public.

Subsequently, LESTARI worked to develop outreach activities for knowledge dissemination. This included the regular production of project communication such as Stories From the Field, Policy Briefs, LESTARI Papers, and other communication products in multimedia form that raise awareness on key issues and also convey human anecdotal impacts of LESTARI's programmatic interventions across landscapes.

LESTARI also closely engaged with national and landscape-based media and journalists through trainings, gatherings, and capacity building activities to improve coverage on key issues. In Aceh, LESTARI implemented a three-day training to improve local journalist's understanding of Leuser landscape approach. Trainings focused on enhancing technical understanding on challenges facing the landscapes and their communities. This aimed to raise awareness with the general public while exerting greater pressure on decision-makers for improved land use policies. Cognizant of the escalating pressures on the Leuser ecosystem, Aceh journalists committed to form a network named *Jurnalis Peduli Lingkungan* (Concerned Environmental Journalists). The journalist forum is strategic for at least two objectives: 1) improve media exposure on landscape values, threats, and challenges and 2) build journalists' commitment/constituency to be more active in advocating for Leuser landscape's issues to policy makers.

Through this media engagement, LESTARI succeeded to spark publication and public discussion on the most pressing issues such as forest and land fires, water resource preservation, sustainable forest management, mangrove and peatland conservation, and biodiversity protection. Of particular note, due to this training, a 6-page spread on LESTARI's support for mangrove ecosystem conservation was published in the prominent English language TEMPO magazine (see LESTARI website for a link to the PDF version). The publication was one of the results produced from the Media Gathering and Journalist Visit activity in Papua that took place from July 25-30, 2016. In Papua, LESTARI continued to produce videos to improve public awareness on species protection (caccatoa, pig-nose turtle, cendrawasih), SMART Patrol, and ecotourism that involved both public and private sectors.

As a cross-cutting approach, awareness and advocacy work was closely integrated with and supportive of other LESTARI strategic approaches. For instance, landscape visualizations (via drone imagery and storyboard animation of business-as-usual and sustainable landscape scenarios) were produced to clearly convey the importance of canal blocking for the restoration of peatland hydrology and mitigation of fires and floods. These visualizations targeted members of the Pulang Pisau MSF to garner their support for LESTARI's peatland restoration work.

LESTARI understands the importance of leveraging the power and reach of social media to share conservation messages in a rapid and dynamic format. This is a key mechanism by which LESTARI supports raising awareness to ultimately build strong constituencies for conservation. During Year 1, social media (Facebook and Twitter) accounts were initiated and consistently updated with (1) latest articles aimed at awareness raising on climate change, forestry, and biodiversity issues; (2) compelling imagery of the value landscape in order to highlight the natural capital worth protecting; and (3) key LESTARI activities and outcomes. National accounts targeted national and international-level audiences, while landscape accounts largely targeted communities within those landscapes. The Katingan-Kahayan Landscape account was exceptional in reaching tens of thousands of individuals regarding the impacts from forest and land fires, with several posts going "viral." Data on total post outreach and accumulation of fans are provided in the Communications section of this AR.

To complement social media outreach, LESTARI also utilized multiple radio station outlets to broadcast interactive dialogues on environmental education in order to expand outreach and deliver messages to remote areas.

Through these various efforts, LESTARI was successful in moving forward issues such as fire-free farming, peatland restoration, water catchment area protection, species conservation, sustainable landscapes, improved forest-land governance, private sector engagement, and integration of LEDS, and inspired policy makers to adopt changes. In Central Kalimantan, local government committed to incorporate fire-free farming module as the technical approach for peatland-based farming. In Aceh, LEDS have been integrated to a number of piloted villages mid-term planning (RPJMDes). The video production of Saman Dance has attracted the Aceh local tourism board to promote ecotourism and combine with conservation values. In Papua, LESTARI communication and advocacy activities helped support multi-stakeholders, including the private sector, to more actively participate in mangrove conservation and mangrove-related livelihood development.

Finally, LESTARI was active in identifying opportunities for engagement with key decision makers at the local level through interviews (e.g. with Bupati of Pulang Pisau regarding his perspectives on the importance of fire and peatland management) and offline events. Concurrently, LESTARI identified and promoted local champions through compelling short videos and Stories From the Field publications. Two particular cases are highlighted in the callout box on the following page.

Landscape	Indicator #9 Number of People Reached		Indicator #8 Number of Champions Engaged	
	Target Y1	Achievement Y1	Target Y1	Achievement Year 1
Leuser	300	1,842	15	15
Katingan Kahayan	300	6,423	15	9
Lorentz Lowlands	150	108,143	5	1
Mappi Bouven Digoel	50	7	5	-
Sarmi	50	-	5	-
Cyclops	150	179	5	-
National	-	3,598		
Province	-	359		
<b>Total</b>	<b>1,000</b>	<b>120,551</b>	<b>50</b>	<b>25</b>

## Promoting LESTARI Champions

During Year 1, LESTARI worked to identify and promote Champions from the landscapes that demonstrate leadership within their communities in advocating for sustainable land use.

Bapak Sumarjito, a proponent of fire-free land clearing and Coordinator of Prevention and Early Fire Detection of Manggala Agni in Kuala Kapuas, Central Kalimantan, was identified and interviewed within Year 1. His profile was covered and shared widely via the LESTARI Story From the Field publication entitled *Sumarjito and Land Without Fire* and short video entitled *Sumarjito and Zero Burning Land Clearing Method*.

Similarly, LESTARI interviewed Pak Taman regarding his fire-free land clearing technique on peat in Kalampangan, Palangkaraya, Central Kalimantan. His story was also published in a Story From the Field (*Fireless Peatland Management by Using Agroforestry Based on Akhmad Tamanuruddin's Experience*) and shared widely.

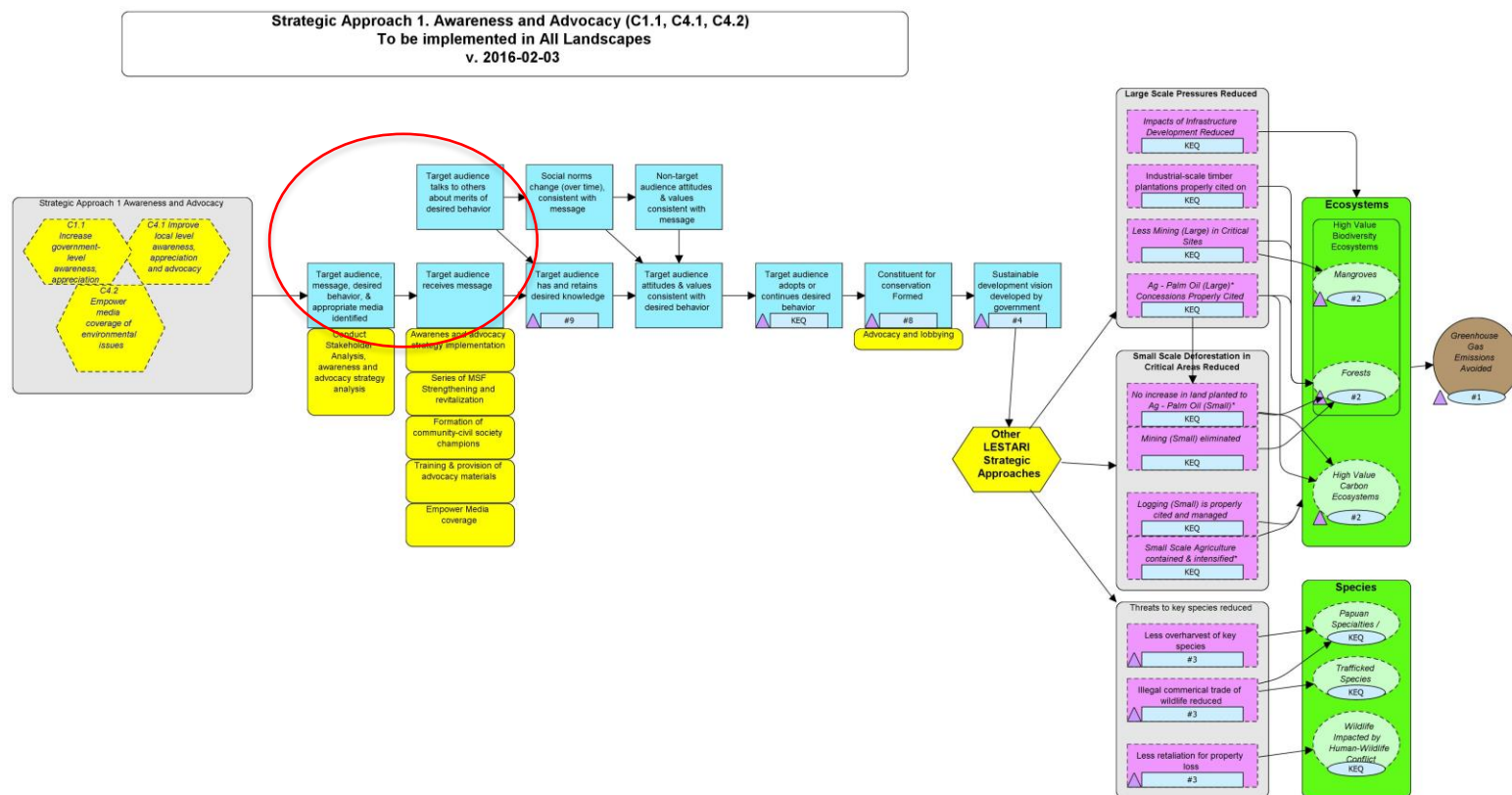
Upon learning about Pak Sumarjito, Minister of KLHK, Ibu Siti Nurbaya, specifically requested to view this short video produced by LESTARI. She subsequently met with Pak Sumarjito in early October to learn more about his background and the land use practices that he actively promotes. Moreover, Ibu Siti visited Pak Taman's land to witness the various vegetable crops that he successfully cultivates. Subsequent to the Minister's visit, Pak Taman's land was considered as a demplot for agroforestry research.

Prior to LESTARI's publication and promotion of these community Champions, no local or national media had covered these individuals. By partnering strategically with Mongabay in the Katingan-Kahayan Landscape, producing compelling publications and videos, and using a range of other high-impact channels, including a WhatsApp Social Forestry Group, LESTARI has been effective in disseminating our messages. Crucially, promoting these Champions is part of LESTARI's strategy to ensure decision makers acknowledge, support, and scale up such sustainable land use initiatives, and that they regard the community as their key partner in doing so.



LESTARI Champion Pak Taman, agroforestry farmer in Central Kalimantan, who has successfully implemented zero-burning land clearing.

The Theory of Change diagram for this Strategic Approach, with LESTARI's Year 1 areas of progress and/or focus circled in red, is shown below.



## Challenges and Opportunities

- Heavy rains in 2016 following the 2015 El Niño dry year are diminishing public concern about the vulnerability of the peatlands to fire and haze. Furthermore, Provincial Public Works recently had the temerity to build a new major canal in Pulang Pisau District across one of the most severely burned areas. This serves as an opportunity for LESTARI to refocus awareness and advocacy efforts on the importance for coordinated action on peatland restoration.
- A comprehensive communication and outreach strategy for the project in Year 2 will help achieve more clarity, consistency, and overall higher quality in project communications.
- The practical mobile phone application, (ex-IFACS) ASEAN Fire Alert Tool was promoted in the peatlands of the Katingan-Kahayan Landscape.
- It has been a challenge to elicit active and regular reporting on LESTARI activities from advocacy staff in the field. This underscores the need for ongoing engagement from Jakarta to the landscapes.
- Ensuring social media activity is consistent, coherent, and active on all landscape accounts has been a challenge. Newly recruited communications staff for Papua should help to alleviate this imbalance.

## Priority Activities for Year 2

- Strategically package and share technical content for MSFs in order to increase their appreciation, awareness, and understanding of key issues.
- Produce and disseminate project communications documents (Story From the Field, Technical Briefs, Papers, Journals) to a wide audience.
- Scale up social media activity in all landscapes by adhering to quarterly themes in order to deliver more coherent messages.
- Produce clear landscape visualizations to inform stakeholders of potential landscape impacts and outcomes.
- Continue building journalist capacity to report on key issues through trainings and fellowships.
- As a cross-cutting approach, continue to collaborate with and amplify the messages of other LESTARI technical themes and approaches.
- Extend Mongabay's contract and adapt this media engagement approach to other landscapes.



## LESTARI 2 – Operationalize Strategic Environmental Assessments (SEAs) and Landscape Conservation Plans (LCPs)

### Year 1 Progress

Given that improved land use governance enables enduring actions to reduce GHG emissions and safeguard conservation, decision-making and policy-making to achieve this must be well-informed. Therefore LESTARI re-energized support for arguably the most official analytical instrument of Strategic Environmental Assessments (SEAs) and complementary Landscape Conservation Plans (LCPs). LESTARI assisted local governments and other stakeholders to produce publicly-available ex-IFACS assessments (SEA and LCP) to inform new or revised spatial and development plans as well as new local regulations in support of landscape management (PERDA, PerGub, PerBup). Where necessary, LESTARI supported updating or new SEA. Efforts to operationalize SEA did not stop at influencing formulation of new or revised spatial and development plans but were applied as a basis to inform sectoral service agency (SKPD) strategic plans (RENSTRA) as well as evaluation of the impact of such regional government planning on the landscape. Increasing SEA/LCP utility was especially focused on achieving crucial spatial certainty for land managers and users in approved functional zones (e.g., FMUs, KHGs and conservation areas) that support sustainable outcomes, specifically, what land use is desirable, where it should be, and who is institutionally responsible for management and enforcement. While the importance of and accessibility to SEA/LCP was emphasized to all LESTARI staff, a systematic program of explicitly presenting SEA/LCP at MSF's was initiated in Pulang Pisau, explaining their utility, although all MSFs had access to the SEA/LCP.

### SEA Updating

Recognizing the importance of SEA updating, supplementary assessments were made, e.g., the SEA being used to revise Mimika's spatial plan and hydrological assessments in Pulang Pisau peatlands. The original SEA/LCP for Pulang Pisau made scant mention of the fundamental role of fire prevention through canal blocking to raise water levels during dry seasons. Rapid biophysical and socioeconomic hydrological surveys along 250 kilometers of major canals where most excessive peatland drainage occurs across the 440,000 hectares of Block C (KHG 14) in Pulang Pisau have enriched SEA/LCP by indicating where canal blocking should take place and also providing insights into refinement of the present zones for conservation and limited use in turn informing spatial planning. LESTARI support for improved RPJMDes has further provided bottom-up information for improved zonation based upon land use maps produced by village communities that are also inputs for spatial plan revisions, as well contributing to the integration of environmental and fire management at grass-roots village levels. This approach also strengthens collaborative forest management where there are *Hutan Desa*.

### New District SEA

Groundwork was laid for a new District-level SEA for a coastal section of the Leuser Landscape in Kabupaten Aceh Barat Daya that was not in IFACS. Responding to the request of Aceh Barat Daya (Abdya) District and the signing of a collaboration MoU with the Bupati, LESTARI prepared a strategy for high-resolution detailed spatial planning (RDTR) pilot model including inputs to KPH zonation / blocking and revision of TNGL zonation informed by SEA in the Susoh river basin with relevance to the entire District. This Abdya work identifies Gunung Leuser National Park (TNGL) and KPH areas upstream of Blang Pidie in DAS Susoh as *Kawasan Strategis* where the Landscape Baseline Analysis had also identified high deforestation taking place. The Ministry of Agrarian Affairs and Spatial Planning (ATR) expressed keen support for this pioneering activity, which should also assist its program of official guidelines for village spatial planning. Here too, planned RPJMDes

activities should provide bottom-up inputs of land use and for zonation thereby increasing local understanding and sense of ownership in conservation zonation, typically and singularly lacking in many state forest areas.

### **Province Level SEA**

LESTARI has expanded its reach to the provincial level, a necessary consequence of Law 23 of 2014 as well as an opportunity for more effective linkages between national and sub-national levels as they impact the landscapes. As a means of engaging more effectively at the provincial level of Central Kalimantan, formulation of a new SEA was supported in response to BAPPEDA request for the new Governor's RPJMD, earning accolades from regional and national government for its timeliness and quality. The SEA raised important issues impacting the Katingan-Kahayan Landscape, warning against road-building, mining, and plantation development too close to conservation areas. Ex-IFACS SEA for Katingan, Palangka Raya, and Pulang Pisau were used as a resource during preparation of the SEA. Two development scenarios were juxtaposed in the SEA, a base case business-as-usual economic development and an optimal land use and related development that could reasonably be expected. The SEA analysis and public consultation with stakeholders were undertaken under the auspices the BAPPEDA SEA team. Being an iterative process, the SEA managed to influence the crafters of the RPJMD to include explicit reference to LEDS and consequent action in the final economic development plan.

### **Regional Policymaking**

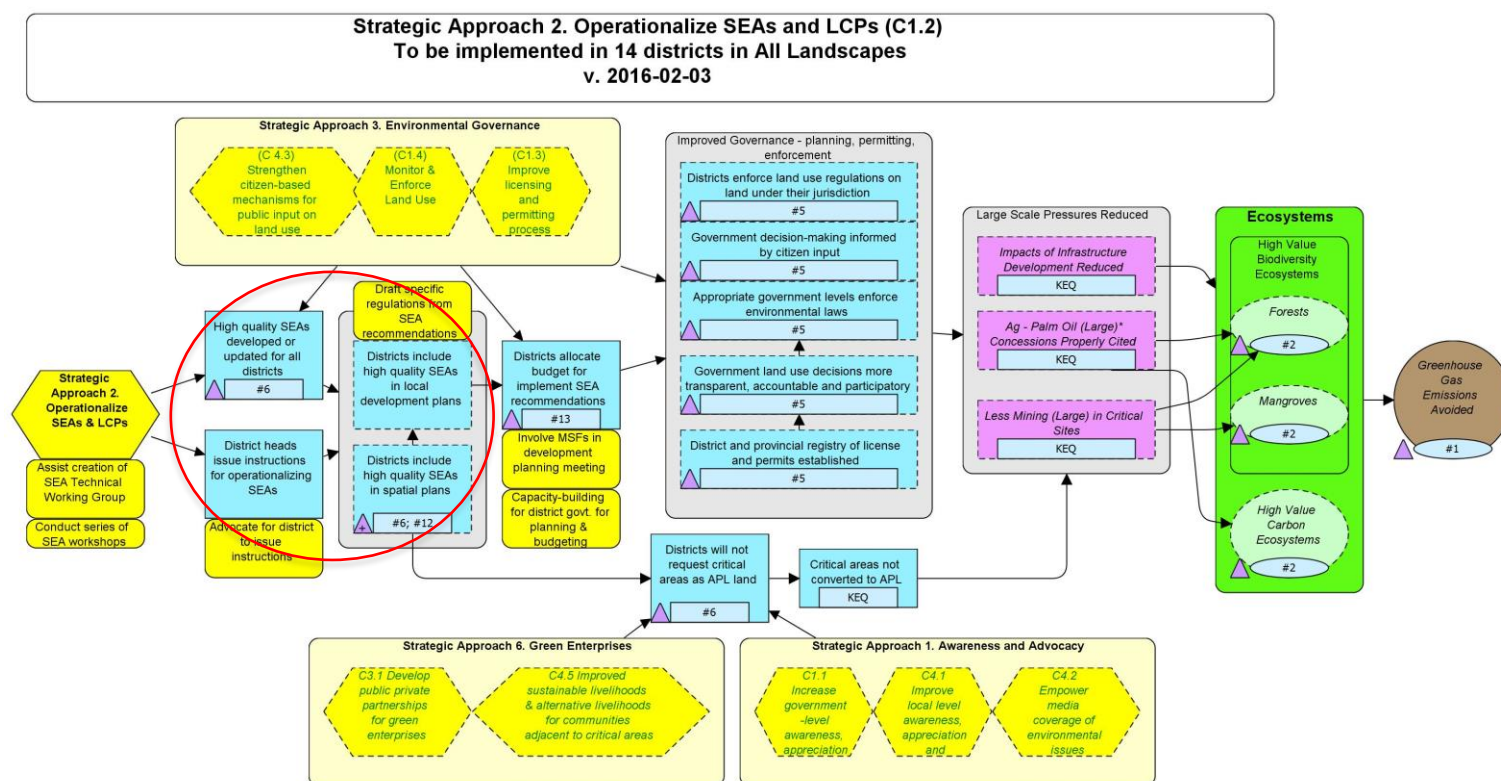
Regional policymaking also benefitted from ex-IFACS SEA, notably, the framing of a Bupati's Decree in Aceh Tenggara for the use of the village funds and an environmental regional regulation (Qanun) Aceh Selatan. Following technical meetings, the Bupati created a technical team to formulate a Bupati's decree in Aceh Tenggara to enable the use of the village fund / Dana Desa for environmental interventions in support of the Leuser Landscape. The team includes MSF members who will support preparations for public consultation about the decree. The technical meeting explicitly drew from the IFACS SEA-LEDS for justification and direction, specifically, 39 issues from pages 51-78 of the SEA.

The SEA/LCP Matrix on the following page summarizes where SEA/LCPs were operationalized. In each district, SEA/LCPs were used as background information to inform LESTARI activities. In some cases, specific parts of the SEA/LCP were incorporated in processes to produce improved plans and policies. E.g., The PerBup for the use of Dana Desa in Aceh Tenggara and the formulation of a regional regulation for environmental management in Aceh Selatan.

Landscape, Province, or District	Milestones [Indicator 6: SEA and LCP Operationalization]: (1) High quality SEAs developed or updated; (2) Issuance of Bupati/Head of Dinas instructions for incorporation; (3) Incorporation into spatial plans / referred in draft RTRW or draft RPJMD; (4) Enforcement evidenced		Output/ Indicator Achieved & Remarks
	(1) High quality SEAs developed or updated	(2) Issuance of Governor / Bupati / Head of Dinas instructions for incorporation	
Central Kalimantan Province	Developing SEA for RPJMD Kalimantan Tengah: <ul style="list-style-type: none"> <li>Task force team appointment by the newly elected governor (SK Gubernur)</li> <li>Workshop on strategic issues identification</li> <li>Setting priority issues and public consultation preparation</li> <li>Data collection and analysis</li> <li>Formulating Mitigation/Adaptation/Alternative strategy</li> <li>Formulating recommendation</li> </ul>		<b>Output:</b> SEA for RPJMD Kalimantan Tengah 2016-2021 (government commitment to include all SEA recommendations in RPJMD) <b>Next Steps:</b> Formal RPJMD Kalimantan Tengah with SEA as appendix. Therefore all SEA recommendations included in RPJMD. Support to SKPD to incorporate all SEA's recommendations in their Renstra SKPD 2016-2021. <b>Related indicator:</b> 6
Lorentz Lowlands Landscape	Strengthening working group SEA-LEDS RTRW revision in Mimika (2016)	<i>Note: SEA-LEDS finalized and incorporated SK Bupati issued during IFACS (2014)</i>	<b>Output:</b> SEA-LEDS revision process for RTRW Mimika (Milestone: Updated SEA considering new threats to the landscape) <b>Next Steps:</b> SEA updating and integration into RTRWK revision (MSF role regarding public consultation) <b>Related indicator:</b> 6
Mimika	Strengthening working group SEA-LEDS RTRW revision in Asmat (2017)	<i>Note: SEA-LEDS was finalized and incorporation SK Bupati issued during IFACS (2014)</i>	<b>Output:</b> SEA-LEDS revision process for RTRW Asmat (Milestone: Updated SEA considering new threats to the landscape) <b>Next Step:</b> SEA updating and integration into RTRWK revision (MSF role regarding public consultation). <b>Related indicator:</b> 6
Gayo Lues			<b>Output:</b> Identification of need to review and update SEA including failure to act on many SEA recommendation <b>Next steps:</b> Review and updating existing SEA Gayo Lues
Aceh Barat Daya (ABDYA)	Workshop for BKPRD on sustainable land use planning		<b>Output:</b> 40 government staff trained on detailed spatial planning in anticipation of SEA for detail spatial planning (RDTR) <b>Related indicator:</b> 12
	Zonation and RDTR DAS Susoh Abdya		<b>Output:</b> Established RDTR task force in Abdya. 25 government staff trained <b>Next steps:</b> <ul style="list-style-type: none"> <li>Developing SEA for RDTR ABDYA,</li> <li>Developing Detailed spatial plan (RDTR) and</li> <li>Zoning regulation on urban-rural areas in DAS Susoh, Abdya</li> </ul> <b>Related indicator:</b> 2, 4, 6 & 12

Landscape/ Districts/ Provincial	Sub-activities	Milestones [Indicator 4: Policies on Climate Change and Biodiversity]				Output/ Indicator Achieved & Remarks
		Introduced	Changed	Adopted	Implemented	
Pulang Pisau, Katingan	Developing SOP on Forest and Land Fire Control	X	X			<b>Output:</b> SOP on Forest and Land Fire Control as per SEA Pulang Pisau recommendation, p. 96 <b>Next steps:</b> Advocacy for Forest and Land Fire Control Bupati decree <b>Related indicator:</b> 4
Pulang Pisau	Updating SEA					<b>Output:</b> Review of SEA showed no mention of need for canal blocking, no adequate recognition of peatland hydrology as fundamental element for peatland restoration. <b>Next steps:</b> Updating of SEA with current knowledge about peatland hydrology and canal blocking processes, e.g. Rapid Hydrological Survey, Socio Economics of Canal Use Survey.
Kalimantan Tengah Province	Developing Academic Paper for Provincial Regulation (Perda Provinsi) on "Pencegahan, Penanggulangan, Pemulihan Kebakaran Hutan dan Lahan di Provinsi Kalimantan Tengah"	X				<b>Output:</b> Academic Paper for Provincial Regulation (Perda Provinsi) on "Pencegahan, Penanggulangan, Pemulihan Kebakaran Hutan dan Lahan di Provinsi Kalimantan Tengah". <b>Next steps:</b> Integration of Academic paper into formulation of Perda Provinsi to include knowledge centers, capacity building and incentives for land preparation without the use of fire e.g. indigenous knowledge of farmers in Kalampangan. <b>Related indicator:</b> 4
Aceh Tenggara District	Developing draft of Bupati Decree on "Pedoman Pengalokasian Dana Kute / Desa dalam Kabupaten Aceh Tenggara untuk Pembangunan di Sektor Lingkungan Hidup dan Kehutanan"	X	X			<b>Output:</b> Draft of Bupati Decree on "Pedoman Pengalokasian Dana Kute / Desa dalam Kabupaten Aceh Tenggara untuk Pembangunan di Sektor Lingkungan Hidup dan Kehutanan". With SEA Aceh Tenggara adoption, rec. p. 114-118 is adopted in Draft Bupati Decree. <b>Next steps:</b> Advocacy to Bupati to enact the draft decree. Once enacted decree socialized at the village level. <b>Related indicator:</b> 4
Aceh Selatan	Developing Qanun (District regulation) on "Pengelolaan Lingkungan Hidup di Aceh Selatan"	X				<b>Output:</b> Draft Academic Paper and Draft Qanun (District Regulation) on "Pengelolaan Lingkungan Hidup di Aceh Selatan" that incorporates SEA & LCP Aceh Selatan. <b>Next steps:</b> Public consultation through MSF, finalizing Academic Paper and Qanun Drafts, and advocacy for enactment. <b>Related indicator:</b> 4

The Theory of Change diagram for this Strategic Approach, with LESTARI's Year 1 areas of progress and/or focus circled in red, is shown below.





## Challenges and Opportunities

- While the sub-landscape approach was established, more work remains for sufficient consolidation, e.g., in the sub-landscape of Kec. Kahayan Hilir sub-District nested within the Block C peatscape of Pulang Pisau itself nested within the wider Katingan-Kahayan Landscape, close collaboration with local government needs to be better integrated with initiatives for BRG and partner infrastructure and *desa perduli gambut*.
- The greatest institutional challenge remains the establishment of workable stewardship mechanisms in peatlands where KHG and KPH partially overlap, e.g., KHG14 / KPHXXXI to coordinate socially responsible behavior of local communities, private sector oil palm plantations, and local government agencies as well as outside agencies within the overlapping areas. Even intra-sectorally there are challenges, e.g., Provincial and District Public Works agencies operating in KHG14 have opened new canals.

## Priority Activities for Year 2

- Periodic M&E drone imagery in selected sub-landscapes to increase accountability of land users and set up comparative opportunities for establishing attribution of LESTARI initiatives in line with the main biodiversity and GHG emission goals
- Updating of all SEA/LCP in LESTARI landscapes
- Ensuring all stakeholders in LESTARI landscapes use high-quality SEA/LCP to influence decision making and policymaking
- Informing rationalized landscape zonation (Leuser, Katingan-Kahayan, and Lorentz Lowlands Landscapes)
- Informing KPH zonation (Leuser and Lorentz Lowlands Landscapes)
- SEA/LCP operationalization (Leuser, Katingan-Kahayan, Lorentz Lowlands, and Mappi-Bouven Digoel Landscapes)

## LESTARI 3 – Environmental Governance

### Year 1 Progress

Given that improved land use governance enables enduring actions to reduce GHG emissions and safeguard conservation, LESTARI has strengthened decision-making and policy-making to achieve this not only through high-quality SEA/LCP but also through ensuring broad-based citizen support for a transformative sense of multi-stakeholder ownership in better environmental governance. Modalities for achieving this have been through MSFs as well as advocacy for policy change and far-reaching communications underpinned by up-to-date geospatial information about sustainable natural resource licensing.

#### Multi-Stakeholder Forum Support

In Year 1, Ex-IFACS MSF were revived in ways to be more effective, notably, through broader-based membership, formalization, and the creation of dynamic technical theme teams (Pokja). LESTARI Briefs and newspaper articles contributed to knowledge management for policy action by public acknowledgement of commitment to improved land use practices and reform along with dissemination of SEA/LCP to all operational MSFs so that all key stakeholders are better aware of the key environmental issues. Some MSFs were more advanced in these regards than others, notably MSF Pulang Pisau and Aceh Tenggara. All MSF now have at least a draft SK Bupati. They are widely recognized as neutral venues that play an important role in building mutual understanding, respect, and trust among stakeholders in LESTARI landscapes for better coordinated conservation action. Deep mistrust remains in sectoral agencies acting alone without consultation. That said, MSFs complement decision-making government institutions that are also their members. MSF members identify technical themes (informed by SEA) and appropriate action teams that operate between MSF meetings.

To ensure a more systematic approach to MSF strengthening and application across all LESTARI landscapes, the LESTARI team prepared a simple MSF standard reporting template and background guidance paper as a basis for SOP protocols (to ensure genuinely inclusive inter-stakeholder collaboration rather than the domination of one group over others) as well as a more effective way to inform AMEP. These protocols aim to encourage accountability and continuity in view of the fact that not always the same stakeholder representatives will attend subsequent MSF meetings, as well as unifying clarification of MSF purpose as a genuine forum for multi-stakeholder discourse with necessarily wide membership.

An indication of broad-based citizen support of the MSF is the willingness to consolidate other MSF-like bodies under the LESTARI-supported MSF. For instance, Mimika District has agreed to consolidate all of its various pre-existing MSFs in this way. The Sahabat Cyclops initiative will be similarly structured.

After early MSF revitalization, MSFs placed emphasis on technical themes for MSF discourse of direct utility for improved management of LESTARI landscapes, e.g., Pokja for,

- Canal blocking in Pulang Pisau
- Fire use in Pulang Pisau
- Use of Dana Desa in Aceh Tenggara
- Qanun Lingkungan in Aceh Selatan
- PANGLO Gotong Royong of women potential in Gayo Lues
- Sahabat Cyclops initiative for collaborative management and zonation

- Peat dome conservation in Singkil as well as related zonation for smallholder and plantation needs that conflict or coincide especially in peatlands
- PPP for organic cacao in Aceh Tenggara

YEAR 1 MILESTONES [Indicator #7: Number of MSF operational]	Papua Landscapes / District					
	Mappi	Bouven Digoel	Sarmi	Mimika	Asmat	Cyclops
MSF institutionalized (issuance of Berita Acara, MSF development and formalization)	<ul style="list-style-type: none"> <li>MSF stakeholder identification, needs assessment and clear understanding of the nature and function of MSF, forum structure completed, strategic issues identified, a draft of SK Bupati for MSF (government and adat representatives)</li> <li>Secretariat based in BAPPEDA Mappi</li> <li>SK Bupati for new MSF</li> <li>Shared budget totaling IDR 200.000.000 is in the process of APBD revision 2016 (#Indicator 13)</li> </ul>	<ul style="list-style-type: none"> <li>MSF stakeholder identification, needs assessment and clear understanding of the nature and function of MSF, forum structure completed, strategic issues identified, a draft of SK Bupati for MSF (government and adat representatives)</li> <li>SK Bupati for new MSF</li> <li>Shared budget totaling IDR 453.000 is in the process of APBD revision 2016 (#Indicator 13)</li> </ul>	<ul style="list-style-type: none"> <li>Revitalization process of ex-IFACS MSF (70% new members)</li> <li>MSF stakeholder identification, clearer understanding of the nature and function of MSF, forum structure revised, strategic issues identified, a draft of SK Bupati for MSF revised</li> <li>Draft SK Bupati completed but the MSF becomes dormant due to political tensions</li> </ul>	<ul style="list-style-type: none"> <li><i>ex-IFACS Bupati SK for MSF Mimika still valid</i></li> <li>Clearer understanding of the nature and function of MSF and strategic issues identified.</li> <li>MSF Mimika becomes a unified forum for all other existing multi-stakeholder forums in Mimika</li> <li>Shared budget totaling IDR 300,000 is in the process of APBD revision 2016 (#Indicator 13)</li> </ul>	<ul style="list-style-type: none"> <li>Revitalization process of ex-IFACS MSF (20% new members)</li> <li>Clearer understanding of the nature and function of MSF and strategic issues identified.</li> <li>Draft SK Bupati for MSF Asmat</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholders for potential Sahabat Cyclops identified</li> </ul>

MSF facilitates and discusses issues and concerns through series of dialogues on technically relevant themes				<ul style="list-style-type: none"> <li>Thematic meetings held on zonation, HHBK Mangrove, and wildlife protection in Lorentz National Park</li> </ul>	<ul style="list-style-type: none"> <li>Capacity building and raising awareness on mangrove conservation</li> <li>Socialization on Lorentz zonation and raising awareness about protected species in Lorentz National Park</li> </ul>	
<i>Next Steps</i>	<ul style="list-style-type: none"> <li>Use of MSF for participatory revision of RTRW Mappi District</li> <li>Working group on natural resource licensing</li> <li>Awareness of HCV for LCP development</li> </ul>	<ul style="list-style-type: none"> <li>Use of MSF for participatory revision of RTRW Bouven Digoel District</li> <li>Working group on natural resource licensing</li> <li>Awareness of HCV for LCP development</li> </ul>	<ul style="list-style-type: none"> <li>Due to the uncertainty of local politics, there will be no more support given to MSF in Sarmi</li> </ul>	<ul style="list-style-type: none"> <li>New SK Bupati recognizes MSF as umbrella forum for all existing MSF</li> <li>Refining of strategic issues and formation of relevant technical working group</li> <li>Use of MSF for participatory revision of RTRW Mimika District, 2015-2016</li> <li>Development of Women Working Group for increasing their role and capacity to promote sustainable land and forest management</li> </ul>	<ul style="list-style-type: none"> <li>MSF will participate in survey for pig nosed turtles in Asmat</li> <li>Training on mangrove management for women in Kampung Ewer and Syuru in Asmat</li> <li>Women Working Group for increasing their role and capacity to promote sustainable land and forest management</li> </ul>	



YEAR 1 MILESTONES [Indicator #7: Number of MSF operational]	Leuser Landscape			
	Aceh Selatan	Aceh Tenggara	Gayo Lues	Aceh Barat Daya
MSF institutionalized (issuance of Berita Acara, MSF development and formalization)	<ul style="list-style-type: none"> <li>Draft MSF Charter</li> <li>1<sup>st</sup> year work plan completed</li> </ul>	<ul style="list-style-type: none"> <li>Draft MSF Charter</li> <li>1<sup>st</sup> year work plan completed</li> </ul>	<ul style="list-style-type: none"> <li><i>SK Bupati for MSF in Gayo Lues issued during IFACS is still valid</i></li> </ul>	<ul style="list-style-type: none"> <li>No activities to form MSF</li> </ul>
MSF facilitates and discusses issues and concerns through series of dialogues on technically relevant themes	<ul style="list-style-type: none"> <li>Series of planning meetings for Qanun Pengelolaan Lingkungan to integrate SEA and LCP of Aceh Selatan</li> </ul>	<ul style="list-style-type: none"> <li>Potential of Dana Desa for sustainable development in forestry and environment</li> </ul>	<ul style="list-style-type: none"> <li><i>Corruption allegations with a founding member of the MSF have disrupted MSF meetings and dialogues</i></li> </ul>	
Input from MSF dialogues and meetings are taken into consideration by decision and policy making processes		<ul style="list-style-type: none"> <li>Draft of Peraturan Bupati about Allocation Village Fund</li> <li>Community based review and revision of RPJMDes Gulo Village with participation of some MSF members</li> </ul>		
<i>Next Steps</i>	<ul style="list-style-type: none"> <li>Continuation of use of MSF for Qanun Environment process</li> <li>Women working group and capacity-building to promote sustainable land and forest management</li> <li>MSF dialogue about community-based forest management for tenurial conflict resolution in sustainable forest management</li> <li>Improving multi-stakeholder understanding on the concept of FMU</li> </ul>	<ul style="list-style-type: none"> <li>Public consultation of PerBup Dana Desa through MSF including capacity building for implementation</li> <li>Working group on PES development</li> <li>Creating trust between TNGL and other conservation institutions so that TNGL willingly participate in MSF</li> <li>Improving multi-stakeholder understanding on the concept of FMU</li> </ul>	<ul style="list-style-type: none"> <li>Reformatting MSF and reintroduction of MSF principles and implementation to stakeholders</li> <li>Improving multi-stakeholder understanding on FMU concept</li> <li>Public consultation as part of review and updating existing SEA</li> <li>Thematic discussions on environmental water services, RPJMDes, and ecotourism</li> <li>Working group on PES</li> <li>MSF used in conservation advocacy at Saman 10,001 dance event</li> </ul>	<ul style="list-style-type: none"> <li>KLHS RDTR public consultation as embryo for the MSF</li> <li>Introduction of MSF principles and implementation to stakeholders</li> </ul>

YEAR 1 MILESTONES [Indicator #7: Number of MSF operational]	Katingan-Kahayan Landscape	
	Pulang Pisau	Palangkaraya
MSF institutionalized (issuance of Berita Acara, MSF development and formalization)	<ul style="list-style-type: none"> <li>Renewed commitment of stakeholders toward the importance of broaden memberships of MSF, clearer understanding of the nature and function of MSF, forum structure revised, strategic issues identified, draft of MSF charter developed through Berita Acara</li> <li>MSF self-selects new name of Forum Hapakat Lestari</li> <li>MSF Secretariat is in Balai TN Sebangau</li> <li>Strong sense of ownership as they see LESTARI as MSF a partner instead of the only donor</li> </ul>	<ul style="list-style-type: none"> <li>Renewed commitment of stakeholders toward the importance of broaden memberships of MSF, clearer understanding of the nature and function of MSF, forum structure revised, strategic issues identified, draft of MSF charter developed through Berita Acara</li> </ul>
MSF facilitates and discusses issues and concerns through series of dialogues on technically relevant themes	<ul style="list-style-type: none"> <li>Consensus about peatland hydrology in Pulang Pisau and need to keep peatland wet to prevent fire during the dry season</li> <li>Consensus on need to undertake canal blocking</li> <li>Working group formed for canal blocking (Tim 9 Hidrologi Hapakat Lestari)</li> <li>Tim 9 Hidrologi Hapakat Lestari emphasizes the need for FPIC in connection with any canal blocking</li> <li>Improved understanding of PES application in Pulang Pisau and specific opportunities such as ecotourism</li> <li>Working group formed for PES development (Tim 10 Pengembangan Jasa Lingkungan)</li> </ul>	<ul style="list-style-type: none"> <li>MSF agreed to support the advocacy and campaign of "I Am the Forest" travelling exhibition</li> <li>MSF agreed to facilitate the development of ecotourism in Palangkaraya</li> </ul>
<i>Next Steps</i>	<ul style="list-style-type: none"> <li>Capacity building for Tim 9 Hidrologi Hapakat Lestari</li> <li>Women Working Group and related capacity building to promote sustainable land use governance</li> <li>MSF will be a Conversation Circle for the "I Am the Forest" campaign</li> </ul>	<ul style="list-style-type: none"> <li>MSF will be a Conversation Circle for the "I Am the Forest" campaign</li> <li>Improve capacity of MSFs member on understanding of pressing conflict resolution and mediation in peri-urban peatland where fire is often used</li> </ul>

*Note: MSF development in Katingan and Gunung Mas Districts will commence in Year 2.*

### **Geospatial Information Utility for Improved Land Use Governance**

Support for Spatial Data infrastructure (SDI) was given provided it could be shown to have direct utility for improved land use governance. For example, LESTARI decided to take over refinement of Papua Province's Information System for Spatial Planning (SIMTARU) that was initiated under USAID ESP and further developed by UKCCU Protarih, which handed the system back to USAID support in 2015. SIMTARU aims to help achieve dynamic, transparent information exchanges between SKPD at the provincial level and between Provincial and Kabupaten SDI within LESTARI landscapes. This past year, community/adat areas that Badan informasi Geospasial (BIG) wishes to see incorporated in the One Map initiative began to be uploaded into SIMTARU. SIMTARU further took a major step towards being a basis for sustainable natural resource licensing by training Papua's one-stop-shop for province-level licensing to be integrated with this SDI. Furthermore, SIMTARU strengthened geospatial data linkages between the province level and the Districts of Sarmi and Mimika. The underlying approach was to be aligned with the national One Map policy of geospatial data compilation, synchronization, and integration, and that each of these should be done transparently in line with Law 14/2008. The LESTARI team facilitated signing of the MoU document between the Governor and BIG that explicitly refers to SIMTARU, as well as refining two draft Governor's decrees for SIMTARU development, one on establishment and the other on natural resource licensing. The fundamental next step for operationalizing SIMTARU is the enactment of the Governor's decree for its establishment. In comparison with all other SDI in LESTARI landscapes, SIMTARU at the end of Year 1 was the most advanced and is being developed as the learning model for all SDIs in LESTARI landscapes.

### **Sustainability Screening Tool for Improved Natural Resource Licensing**

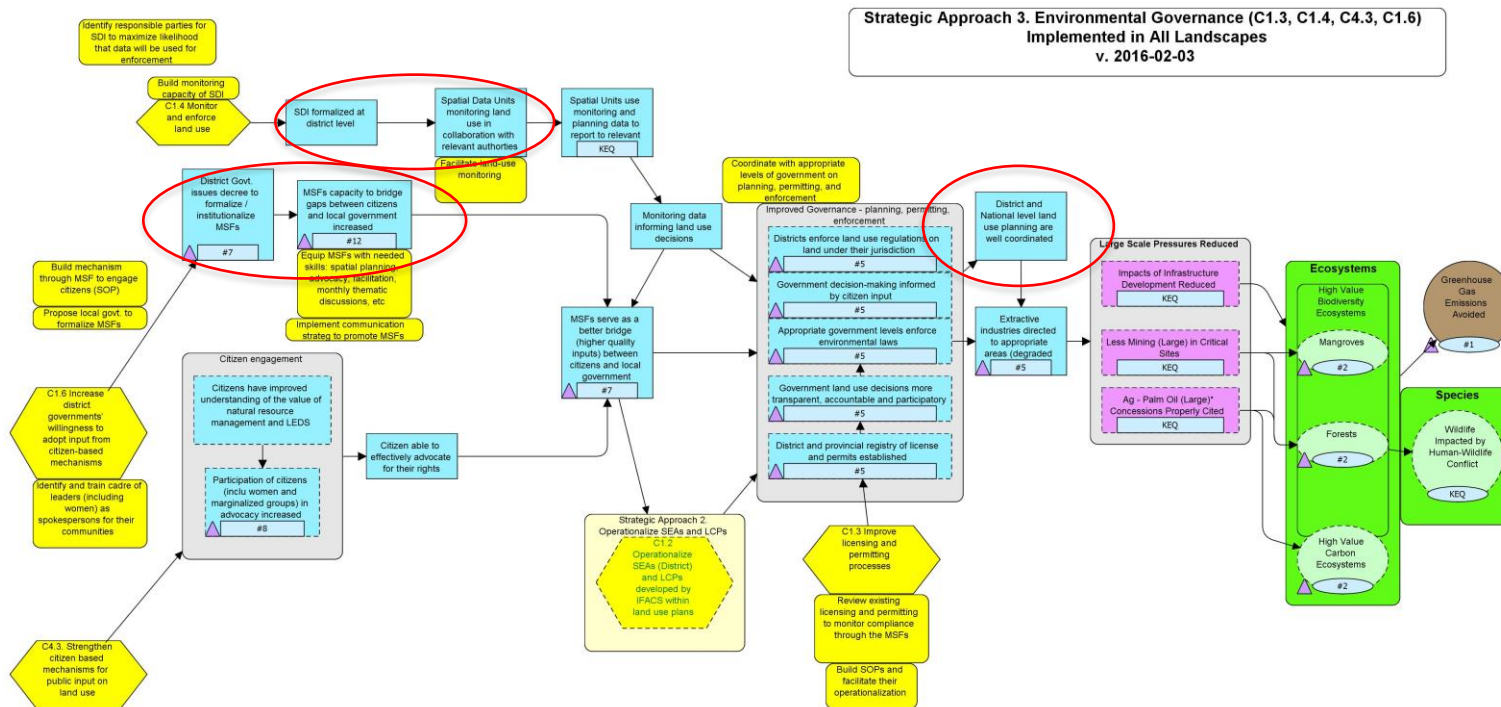
After exploratory work in LESTARI landscapes, it was decided that development and rolling out of the Sustainability Screening Tool (SST) for Improved Natural Resource Licensing, should focus its formative stages on the Katingan-Kahayan Landscape, Central Kalimantan. Given that the sharp-end of development is typically manifested in natural resource licensing (legal, quasi-legal or illegal), the development of the web-based SST was focused where mis-application of licenses has been most damaging and represents the highest risk of GHG emissions anywhere in LESTARI landscapes, namely, Pulang Pisau District. Stakeholder engagement with government agencies in Pulang Pisau and Central Kalimantan Province was formalized resulting in the sharing of important license and land use data, increasing the potential for effective public scrutiny. Early results made clear to all parties that some oil palm licenses overlap with protection and conservation areas.

**SST has framed its development in line with current One Map policy**, first and foremost (1) geospatial data compilation (*kompilasi*), that is collation of land and forestry thematic maps, (2) integration (*integrasi*), that is superimposition of thematic maps, and (3) synchronization (*sinkronisasi*), that is dispute resolution of overlapping thematic and licensed areas. In line with BIG's promulgation of approaches introduced in Presidential Decree 9 of 2016, Cabinet Meeting of April 7, 2016 and inter-Ministerial meeting of June 10, 2016, the SST has invited stakeholder feedback through FGDs in the Katingan-Kahayan Landscape at the provincial level and with particular focus on Pulang Pisau district.

During Year 1, the SST reached (a) the compilation and integration stages of the One Map approach. Additionally, the SST is a user-friendly web-based tool that (b) allows participatory village land use mapping that can either be scanned from a paper map, or manually digitized using high-resolution imagery into the web map application, (c) can be used by the Agriculture Agency to identify lands that are suitable for sustainable lowland rice development, (d) adapted by the Environment Agency to develop a set of tools to interpret fire frequency for different areas (villages, concession, etc.) so they can prioritize efforts for raising awareness of fire risk and prevention, (d) can put together a web-map that display HCV and HCS as well as LCPs that integrate these geospatial data, and (e) technical inputs

for land use dispute resolution protocols to address conflicts between proposed and actual licenses

The Theory of Change diagram for this Strategic Approach, with LESTARI's Year 1 areas of progress and/or focus circled in red, is shown below.





## Challenges and Opportunities

- While LESTARI relations with local government are generally very good, too many LESTARI engagements take place at formal events rather than on a day-to-day basis. A special effort will be made to better embed LESTARI activities within partner agencies.
- Better embedding LESTARI activities within partner agencies for landscape governance
- Employing MSF for promoting SIMTARU and SST as well as the relationship between them, opportunities for sub-landscape land use management and dispute resolution as well as citizen-based regional policy development.
- SIMTARU in Papua and SST in Kalteng for study tours
- Close collaboration with all six USAID partner programs (with a focus on BIJAK) and their counterparts

## Priority Activities for Year 2

- Improving MSF utility whenever broad-based citizen support for LESTARI landscape initiatives are crucial, especially with customary groups, e.g., Sahabat Cyclops and integration of many MSFs in Mimika
- MSF SOP to provide minimal and optimal structure to ensure increased collaboration amongst key stakeholders
- MSF at the provincial level, preferably strengthening existing fora in so far as these provide potential for increased collaboration among key stakeholders (e.g., Kaukus Pembangunan Berkelanjutan in Banda Aceh, Pokja Perhutanan Sosial in Central Kalimantan)
- Full development and roll out of a dynamic SST for systematic updating of spatial information
- LESTARI Briefs produced with background guidance papers on RDTR zonation, MSF Utility, challenge of decentralized forest and land fire governance

# TECHNICAL THEME 2: CONSERVATION CO-MANAGEMENT

## Overview

The first year laid the foundation for progress under the Conservation Co-management technical theme, which consists of two strategic approaches: Co-Management (SA 4) and Protected Area Management (SA 5). Our Theory of Change for this technical theme is that through improved governance, protection and management, innovative finance, expanded and empowered constituencies for conservation, and co-management of adjacent and critical areas, CA management will be improved, emissions reduced, and biodiversity conserved.

Overall, first year targets have been accomplished. For SA 4, this involved identifying co-management sites, facilitating dialogue and capacity building for multi-stakeholders, piloting initial co-management activities, and engaging in policy advocacy for social forestry. For SA 5, this involved baseline METT score establishment, improved CA managers' capacity to utilize METT, and action plans developed to improve METT score in all CAs in LESTARI landscapes.



## LESTARI 4 – Co-Management

### Year 1 Progress

LESTARI strives to promote communities' increasing participation in biodiversity conservation and forest management to secure benefits from forest resources in the form of co-management agreements, and in turn reducing pressure on conservation areas. Using the foundation built from the IFACS project, LESTARI broadened and deepened the CCLA approach to ensure that the communities could obtain secured access to forest resources and decision-making over forest management. The overall progress is described below with specific information provided in table format in the landscape sections:

#### **First, priority co-management areas identified**

The LESTARI team completed village assessments to identify priority locations for co-management. In the Leuser Landscape, 30 villages in Aceh Selatan, Aceh Tenggara, Gayo Lues, and Aceh Barat Daya were selected as priority villages for co-management initiatives adjacent to Leuser National Park. Similarly, in the Katingan-Kahayan Landscape, 25 priority villages were selected for co-management initiatives. In the Lorentz Lowlands Landscape, a resilience assessment was carried out engaging multi stakeholders. 2 villages inside the

conservation areas and 8 other villages were selected for co-management initiatives. In Cyclops, the priority areas for co-management were identified as a result of participatory mapping. In all landscapes where village assessments were conducted, potential commodities were also assessed to explore the possibility of supporting sustainable livelihood strategies.

### **Second, multi stakeholders dialogue facilitated to increase awareness on co-management and identify types of co-management**

Multi stakeholder dialogues were facilitated to identify types of co-management to be initiated in the area and enhance their awareness on co-management. Most of these stakeholders engaged in the dialogue are members of LESTARI MSF. In facilitating co-management, LESTARI also taps into existing policy options to allow communities to acquire secured access to forest resources, such as *perhutanan sosial* initiatives and partnerships between communities and the forest area managers, be they conservation areas, FMU, or land-based natural resource concessions. The types of co-management that LESTARI will pursue are therefore based on the type of forest area and licensing and policy options available to enhance communities' secured access to forest area.

Types of Forest	Types of Co-Management to be Developed	Landscape
Conservation Areas and bufferzone	<ul style="list-style-type: none"> <li>Partnership with CA managers to support community engagement in utilizing traditional zone, <i>MDK</i> in the area around the park.</li> <li>Partnership with CA managers for community based ecosystem restoration</li> </ul>	Leuser Katingan-Kahayan Cyclops Lorentz Lowlands
Bufferzone (mostly production, APL and protected forest/hutan lindung)	<ul style="list-style-type: none"> <li>Social forestry in the bufferzone</li> <li>Communities partnership agreement with FMU</li> </ul>	Leuser Katingan-Kahayan Lorentz Lowlands
Production Forest, Protected Forest ( <i>Hutan Lindung</i> ), and other forest types	<ul style="list-style-type: none"> <li>Social Forestry Initiative (<i>Hutan Desa/ Hutan Kemasyarakatan/ HTR</i>)</li> <li>Communities partnership agreement with FMU/companies</li> <li>Partnership between communities and private sectors</li> </ul>	Leuser Katingan-Kahayan Lorentz Lowlands

### **Third, capacity building activities carried out for local communities, staff and local partners**

Trainings were carried out to equip community facilitators and local partners with skills for community facilitations and enhance their understanding on relevant technical issues. In Katingan-Kahayan and Leuser Landscapes, these included training of trainers, sustainable livelihoods assessment, co-management, and village level planning (RPJMDes). In Cyclops, the LESTARI team facilitated multi-discipline landscape assessment (MLA) training. In Lorentz Lowlands, the team facilitated training on participatory mapping, co-management, and resiliency assessment.

### **Fourth, Initial activities piloted in several selected villages**

At the village level, LESTARI piloted a co-management initiative through facilitating communities to integrate the forest area co-management vision into the village development plan (RPJMDes), develop village land use maps, and develop forest management plans. RPJMDes can be an avenue to ensure sustainable financing for sustainable livelihood and forest management/conservation at the village level since currently, the Indonesian

government allocates approximately 1-2 billion IDR/year in each village for village development. In Cyclops and Lorentz Lowlands Landscapes, the LESTARI team utilized a slightly different approach considering the importance of strengthening *adat* communities and institutions in Papua Province. In the second year, this approach will be scaled up in other villages in the landscape.

LESTARI also facilitated the preparation and submission of social forestry permit applications, which included HKm permits for five 5 villages in Katingan District (they are currently being processed in the district level). The team also facilitated the submission of *Hutan Tanaman Rakyat* (HTR) application (7 villages) and HKm applications (2 villages) in Gunung Mas District. This work will be followed up in the second year.

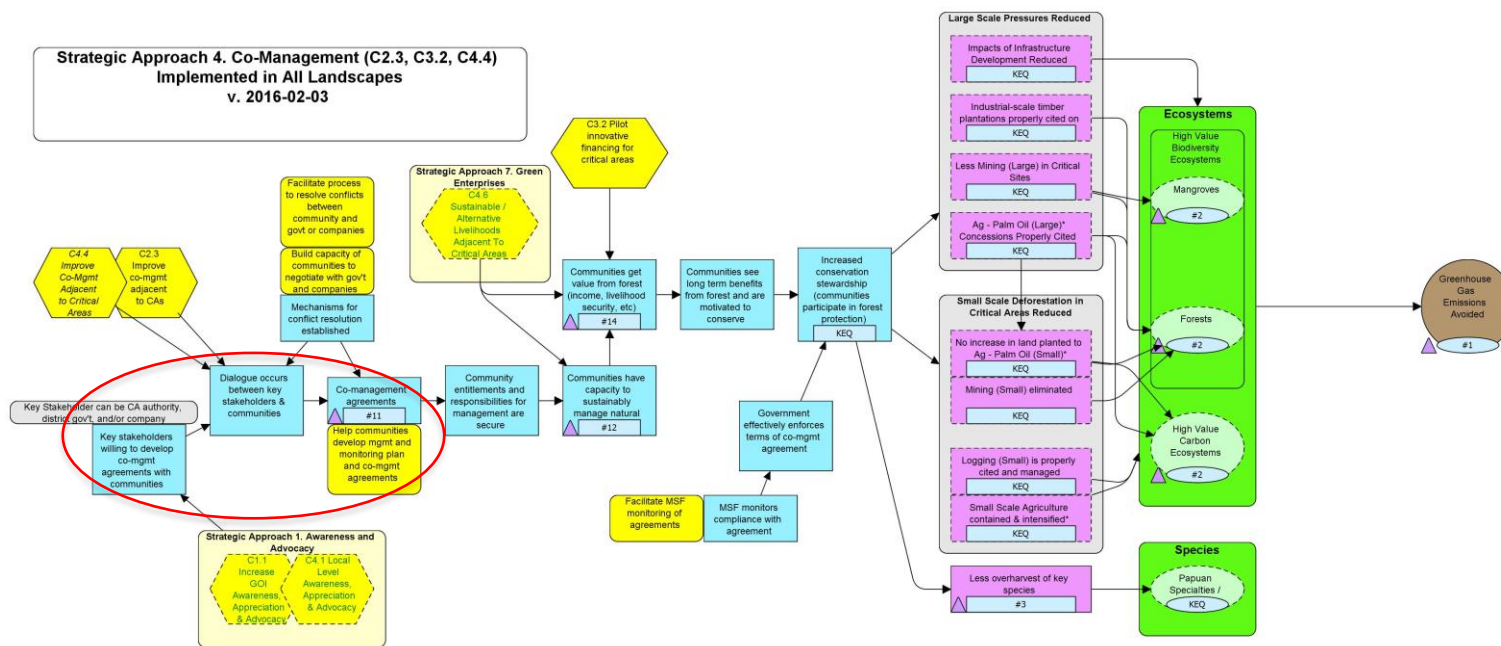
### **Fifth, policy advocacy**

LESTARI actively advocates enabling policies, such as social forestry policies, to allow communities to secure forest stewardship. This is done through our continuous engagement in advocacy work both at national and regional levels. In the national level, the LESTARI team actively engages in a social forestry working group that provides technical inputs for GoI to foster the achievement of social forestry targets. At the provincial level, the LESTARI team, especially in Katingan-Kahayan Landscape, has supported the establishment and operationalization of a social forestry working group that plays a crucial role in the verification process of social forestry permit applications in Central Kalimantan Province. Tables detailing the number of pilot villages, estimated hectares, and results accomplished can be found in the landscapes sections for Leuser, Katingan-Kahayan, Cyclops, and Lorentz Lowlands.

In addition, LESTARI provided support for collaborative management efforts in Cyclops Nature Reserve and Lorentz National Park through engagement with key government and non-government stakeholders. An early item of success was the facilitation of the signing of the declaration for co-management of Cyclops Nature Reserve and the buffer zone area, which was subsequently followed up with efforts to operationalize the agreement.

Finally, starting in the third quarter, LESTARI initiated support for Forest Management Units (FMUs), acknowledging that FMU operationalization becomes increasingly essential since the management of forest located outside the conservation area will be managed by FMUs. This involved support for carrying out public consultations to garner public inputs for long-term management plans at the district level.

The Theory of Change diagram for this Strategic Approach, with LESTARI's Year 1 areas of progress and/or focus circled in red, is shown below.





## Challenges and Opportunities

- The social forestry initiatives provide ample opportunities for communities to acquire long term secured access to forests. With the recent commitment from Jokowi's administration to speed up the process of getting social forestry permits through simplifying the procedure, it is hoped that social forestry permits will be obtained faster in LESTARI landscapes. Nevertheless, LESTARI opens possibilities to pursue forms of co-management agreements such as partnership agreements with conservation area managers or private sector entities.
- Tenurial claims among different clans are likely to create friction and potential conflict during the participatory mapping process in the Lorentz Lowlands Landscape. However, these maps could eventually lead to ground-breaking agreements for co-management with the National Park.

## Priority Activities for Year 2

- Scale up pilot initiatives at the village levels into clusters of villages as a foundation to create broader impacts in the sub-landscape and landscape level.
- Community facilitation processes to develop forest management plan and co-management agreements with relevant key stakeholders.
- Promote a more inclusive approach to protected area management and critical areas through carrying out capacity building for forest management units (FMUs) and developing and implementing partnership agreements between communities and protected area/FMU managers.
- Implement a comprehensive strategy to support capacity and institutional building of FMUs in Leuser (KPH III, V, VI) and Mimika (KPH VI) and carry out assessments.

## LESTARI 5 – Protected Area Management

### Year 1 Progress

LESTARI works to support the management effectiveness in 7 conservation areas located in LESTARI landscapes. In the first year, the LESTARI team focused on streamlining the use of METT assessments to evaluate the effectiveness in all 7 of these CAs. The overall accomplishments in the first year are described below, with more specific information summarized in tables in the landscape sections.

*First*, METT baseline score established. In establishing the METT baseline, the LESTARI team actively contributed to the process of national assessment of METT of 260 conservation areas in Indonesia, including those located in LESTARI landscapes. LESTARI uses the score as a baseline to measure management effectiveness of conservation areas in LESTARI landscapes. In overall METT activities, LESTARI is closely engaged with the national working group of METT of MoEF to ensure synergy and integration with the national target for METT score improvement of conservation areas. LESTARI supported a Training of Trainers of METT to enhance capacity of core METT facilitators across Indonesia to carry out METT assessment. The event was co-funded by Ditjen KSDAE, LESTARI, WCS IP and GIZ Forclime.

*Second*, improve conservation area managers' capacity to use METT as a tool to evaluate the effectiveness of CA management through carry out series of workshops in all conservation areas under LESTARI landscape, which includes Cyclops (Dec 2-3, 2015), Rawa Singkil Nature Reserve (April 26-27, 2016), Leuser National Park (May 31-June 2, 2016), Sebangau National park, Bukit Baka Bukit Raya National Park, and Tangkiling Ecopark (June 28-29, 2016). These workshops were aimed at disseminating the results of the METT score assessment of each conservation area to increase the sense of ownership of the CA managers toward the result, hence generating their commitment to improve the METT score.

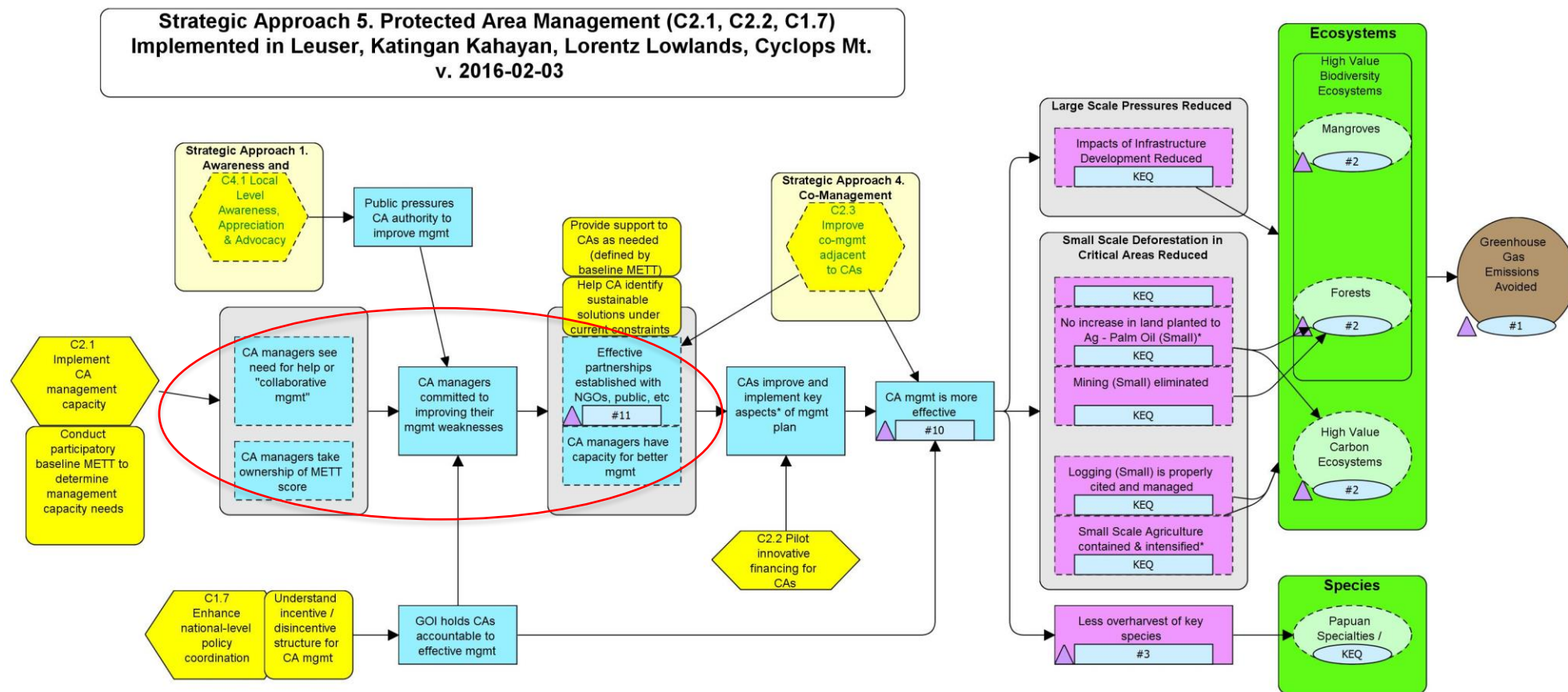
*Third*, action plans to improve METT score have been developed in all conservations areas. This was done through facilitating conservation area managers to develop action plans to improve the METT score in their respective conservation areas. *Finally*, LESTARI used the action plans as a foundation to prioritize LESTARI support in the conservation areas in order to improve the METT score.

In the first year, LESTARI facilitated several priority activities to improve conservation area management effectiveness. Further details of each activity can be found in the landscapes section of this AR.

- **Improve habitat protection and monitoring through SMART Patrol.** LESTARI implemented SMART Patrols as a tool to improve the effectiveness of habitat protection and monitoring and enable the CA managers to provide more timely responses toward threats. LESTARI trained and rolled out SMART Patrols in Leuser National Park, Rawa Singkil Nature Reserve, and Cyclops Nature Reserve. Indicative areas that have been patrolled in Year 1 can be seen on the landscape maps for Leuser and Cyclops. SMART Patrols will be rolled out for Bukit Baka Bukit Raya, Sebangau, and Lorentz National Parks in Year 2.
- **Wildlife Response Unit to mitigate human-wildlife conflict.** As part of the SMART patrolling strategy, a Wildlife Response Unit (WRU) was operationalized for Leuser Landscape. The purpose of the WRU is to collect information on recent human-wildlife conflict and raise awareness regarding its prevention.

- **Wildlife Crime Unit to reduce illegal wildlife trafficking.** LESTARI supported efforts to reduce wildlife trafficking through operationalizing the Wildlife Crime Unit (WCU) in Leuser Landscape. The WCU continued to gather information about wildlife crimes and methods to reduce human-wildlife conflict in the landscape.
- **Key Species conservation.** LESTARI supported Gol targets for key species conservation through several initiatives in conservation areas under LESTARI Landscapes. In Leuser National Park, LESTARI continued efforts to monitor the distribution and density of key species (Orangutan, rhino, elephant, and Sumatran tiger) in the National Park through camera trapping. The analysis of the result is currently ongoing and will be used to devise more effective conservation strategies. Moreover, LESTARI allocated a small grant (OIC) for Orangutan conservation in western part of Leuser. Within Year 1, OIC completed a socioeconomic survey, facilitated communities to establish a community forest user group for the process of community forest permit acquisition, signed conservation agreements with 2 villages, and facilitated training for community-based forest management and conservation. Within the Katingan-Kahayan Landscape, LESTARI grantee BOSF released 8 rehabilitated orangutans into Bukit Baka Bukit Raya National Park and signed an agreement for a joint annual work plan with Bukit Baka Bukit Raya National Park.
- **Conservation Area Management Plan.** LESTARI supported the KSDAE target to establish and ensure the operationalization of Forest Management Unit – Conservation (KPHK) in Rawa Singkil Wildlife Sanctuary and KPHK Cyclops-Yuteva.
- **Conservation Area zoning system and spatial data management.** LESTARI, in close coordination with Ditjen PIKA (*Pemolaan dan Informasi Kawasan Konservasi Alam*), supported finalization of CAs zonation/blocking system and integration of the system into One Map Policy.

The Theory of Change diagram for this Strategic Approach, with LESTARI's Year 1 areas of progress and/or focus circled in red, is shown below.



## Challenges and Opportunities

- There has been increasing interest of CA managers in LESTARI landscapes to roll out SMART Patrol in their respective conservation areas. The LESTARI team will roll out the SMART Patrols in a total of 6 conservation areas in LESTARI landscapes by the second year.
- The technical agreement between USAID and MoEF for terrestrial ecosystems was signed by the end of the third quarter. The signing of the agreement will positively contribute to the finalization and signing of program implementation plan with Conservation Area Directorate of KSDAE. With both documents in place, it is hoped that the implementation of activities in conservation areas will be smoother and LESTARI activities will be more closely synergized with CA priorities.
- Forestry Information Center (*Pusat Informasi Kehutanan/PIKA*) has requested LESTARI to support some initiatives, which include review and finalization of zonation in conservation areas in LESTARI landscapes and integration of CA zonation plans into one map. This initiative has been implemented in the first year and will be continued in the second year.

## Priority Activities for Year 2

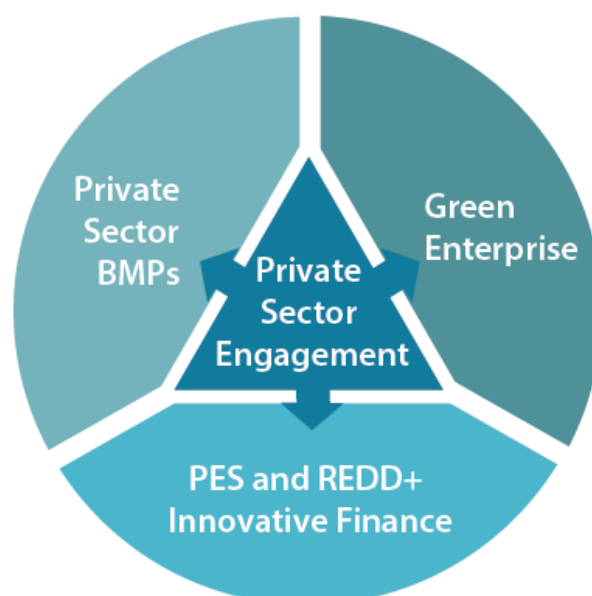
- Training and roll out smart patrol in 6 conservation areas in LESTARI landscapes. By the end of the second year, LESTARI will promote nation-wide adoption of SMART by organizing a national workshop in Jakarta with relevant government institutions to disseminate the lessons learned from SMART Patrol adoption in all CAs under LESTARI.
- Improve species conservation strategy through carrying out surveys to provide evidence-based species conservation recommendations, assist CAs to develop species-based conservation strategies, and operationalize wildlife response units to mitigate human-wildlife conflicts.
- Reduce wildlife trafficking through operationalizing wildlife crime units and joint patrols with relevant stakeholders.
- Improve CA zonation plans through reviewing (when applicable) and integrate into One Map Policy.
- Facilitate communities' other stakeholders to engage in CA protection and management. This will be implemented through utilization of traditional zones and engagement of *Masyarakat Mitra Polhut* (MMP) in SMART patrol.
- Pilot innovative conservation financing in Sebangau National Park, Lorentz National Park, and Cyclops Nature Reserve.



# TECHNICAL THEME 3: PRIVATE SECTOR ENGAGEMENT

## Overview

As with all other Technical Themes, Private Sector Engagement takes an integrated approach to the development of livelihoods, responsibilities of environmental governance, green enterprise, Best Management Practices (BMP) adoption, and innovative financing. During Year 1, the LESTARI team initiated engagement with private sectors in developing local commodities to support sustainable livelihoods in the landscapes. LESTARI also continued the work under IFACS in collaborating with concession owners to implement Conservation Management and Monitoring Plans (CMMPs) and conducting BMPs. Furthermore, LESTARI worked to support innovative financing for conservation through ecotourism and Payment for Environmental Services (PES) initiatives. Our theory of change for Technical Theme 3 is that if partnership with private sector entities are developed for green enterprises, private sectors adopt best management practices for sustainability, and community-based sustainable financing schemes are implemented, then emissions will be reduced and biodiversity conservation will be improved.



## LESTARI 6 – Green Enterprises

### Year 1 Progress

During Year 1, activities under the Green Enterprises Strategic Approach were initiated by conducting assessments for local livelihoods and commodities. An assessment of market access, value chain, and local potential commodities was conducted in the Leuser, Mappi-Bouven Digoel, and Katingan-Kahayan Landscapes.

In Leuser, this resulted in the development of a PPP for organic cacao that aims to improve farmers' livelihoods while reducing deforestation pressures in the surrounding buffer zone area. The second PPP within the Leuser Landscape, in support for sustainable nutmeg and patchouli, is currently under development. In the Katingan-Kahayan Landscape, a PPP for community-based rubber was signed in the fourth quarter. This PPP incorporates capacity building for integrated fire management while improving harvesting techniques so that

farmers are able to sell rubber at a higher price. Details of all Year 1 PPP activities can be found in the Leuser and Katingan-Kahayan Landscapes sections of this AR.

In addition to the commodities that are developed under PPP, LESTARI is also working together with the local key stakeholders through the MSF in developing NTFPs to provide better access for the local community in benefiting from the forest or buffer zone area. Currently, the LESTARI team is finalizing livelihood intervention models for forest/wild honey in Leuser Landscape and fresh water fisheries in Leuser and Katingan-Kahayan Landscapes. Both activities are integrated with the work under co-management and technical assistance for the RPJMDes. Results of the Mappi-Bouven Digoel assessment will guide Year 2 work to develop community-based green enterprises that safeguard forest and rationalize land use plans.

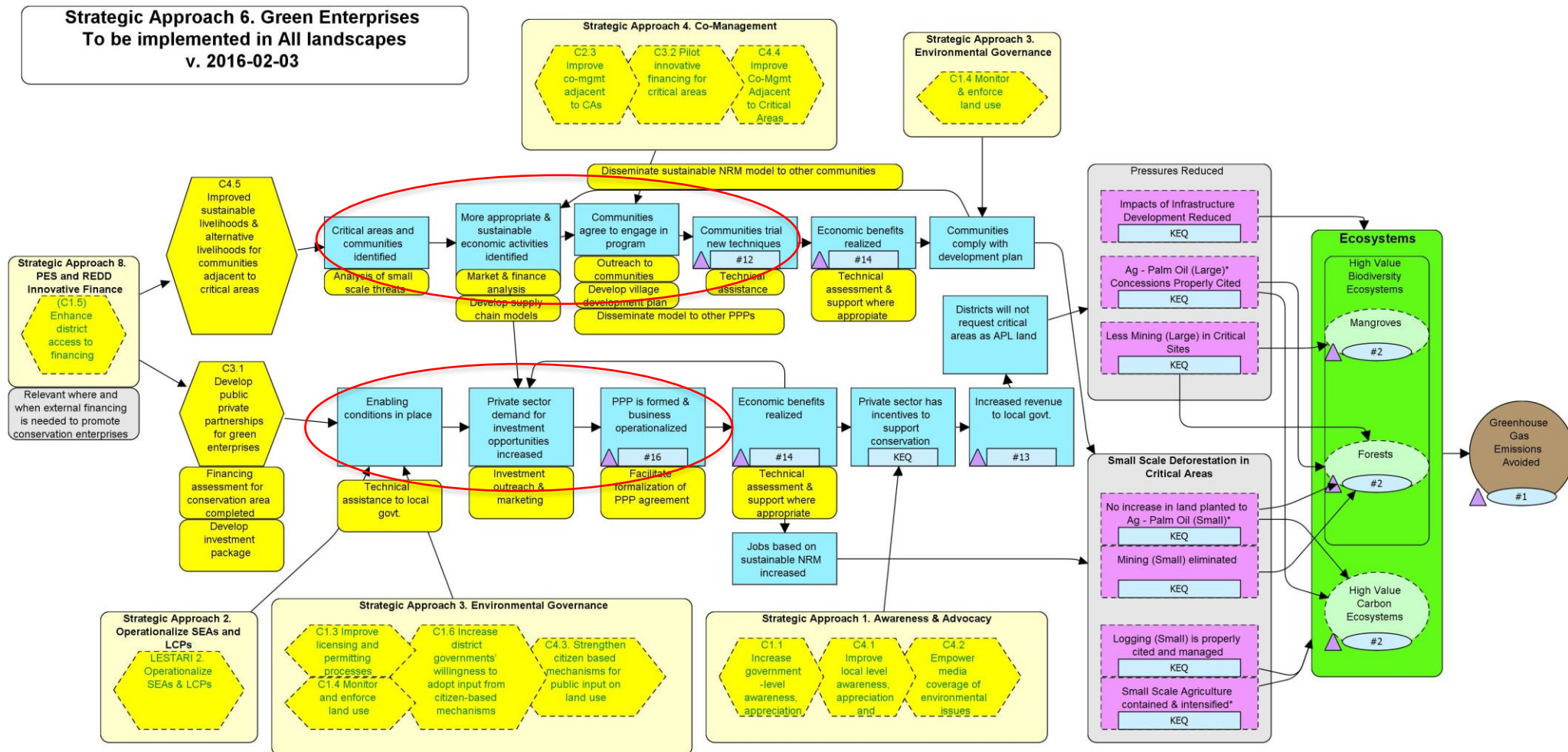
Work under this strategic approach is also significantly supported through grant mechanism, especially through RFA-004 that is currently under pre-award process. The LESTARI team has received a total of 106 proposals from all 6 landscapes and after a thorough technical review, it has been screened down to 12 potential grantees. The activities under the RFA will support collaborative management and sustainable livelihood initiatives by improving the management of land use activities. Further details can be found in the grants section of this Annual Report.

Year 1 activities, as outlined in the ToC for the Green Enterprises Strategic Approach, and associated outputs are summarized in the matrix below.

Year 1 Activities	Year 1 Output	Impact & Indicator
<b>Develop Public Private Partnerships for Green Enterprises</b>		
6.1 Market Assessment/Value Chain analysis for potential commodities  6.2 Identification of potential private sectors partners for PPP development	<ul style="list-style-type: none"> <li>List of potential market access and value chain of local commodities in Leuser Landscape</li> <li>Local commodity potentials within the landscape in Leuser Landscape</li> <li>Potential livelihood assessment and fire impact in Katingan-Kahayan Landscape</li> <li>Assessment of potential investment of local commodities in Mappi-Bouven Digoel</li> </ul>	Leuser Landscape: <ul style="list-style-type: none"> <li>780 farmers receive trainings in socialization and introduction of cacao organics</li> <li>51 farmers receive trainings in certification of cacao organics</li> <li>51 farmers receive trainings in ICS establishments for post harvest and fermentation</li> </ul> Katingan-Kahayan Landscape: <ul style="list-style-type: none"> <li>Socialization training to 4 existing KUBKs</li> <li>Establishment of 2 demplots, sponsored by Bank Indonesia</li> <li>Establishment of 2 new KUBKs</li> </ul>
6.3 Investment outreach, and marketing for potential green enterprise PPPs  6.4 Enabling business environment	<ul style="list-style-type: none"> <li>Drafting TOR &amp; MOU for PPP scheme:               <ol style="list-style-type: none"> <li>Between LESTARI and Javara for Organic Cacao project in Leuser Landscape</li> <li>Between LESTARI and Bank Indonesia Kalteng for community rubber development in Katingan-Kahayan Landscape</li> <li>Between LESTARI and CV Insan Bonafide for community rubber development in Katingan-Kahayan Landscape</li> </ol> </li> </ul>	
6.5 Facilitate formalization of PPP agreement that integrates LESTARI mission and vision  6.6 Facilitate procedure monitoring PPP  6.7 Implementation of PPP program	<ul style="list-style-type: none"> <li>3 PPP MOU document signed between LESTARI &amp; JAVARA, LESTARI &amp; Bank Indonesia Kalteng, and LESTARI &amp; CV Insan Bonafide</li> <li>Steering committee member appointed for each of PPP scheme</li> <li>Regular internal monitoring for progress established among steering committee members of each PPP scheme</li> <li>Implementation of PPP programs in the field for Cacao organic &amp; community rubber project</li> </ul>	

Year 1 Activities	Year 1 Output	Impact & Indicator
Improved Sustainable Livelihoods and Alternative Livelihoods for Communities Adjacent to Critical Areas		
<p>6.12 Identification of (critical) area &amp; threats &amp; relevant stakeholders</p> <p>6.13 Identification of relevant potential livelihood</p>	<ul style="list-style-type: none"> <li>Local commodity potentials within the landscape in Leuser Landscape (same activity under PPP above)</li> <li>Potential livelihood assessment and fire impact in Katingan-Kahayan Landscape (same activity under PPP above)</li> <li>Assessment of potential investment of local commodities in Mappi-Bouven Digoel (same activity under PPP above)</li> <li>RFA for grant mechanism (for co-management &amp; sustainable livelihood) is finalized and issued</li> <li>Draft TOR developed for fresh fisheries development in relation to support watershed conservation activities. Location: Gayo Lues, Aceh Tenggara, Aceh Selatan &amp; Abdya (detail village under coordination with activities under TT1 &amp; TT2)</li> <li>Draft TOR developed for <i>madu hutan</i>/forest honey as source of sustainable livelihood based NTFP potential. Location: Gayo Lues (detail village under coordination with activities under TT1 &amp; TT2)</li> </ul>	<ul style="list-style-type: none"> <li>Estimated 15 grantees are in the process to be awarded in all landscapes</li> <li>List of commodities in Mappi-Bouven Digoel</li> </ul>
<p>6.14 Market &amp; finance analysis</p> <p>6.15 Develop livelihood models</p>	<ul style="list-style-type: none"> <li>Pre-award process for RFA #04 is on the way. Estimated 15 potential grantees will part of the LESTARI program next year.</li> <li>Integrated program &amp; location between LESTARI direct intervention &amp; under grant mechanism.</li> </ul>	

The Theory of Change diagram for this Strategic Approach, with LESTARI's Year 1 areas of progress and/or focus circled in red, is shown below.



## Challenges and Opportunities

- LESTARI can develop the identified high-potential commodities in Aceh by facilitating expanded market access and greater added value for these products. There are also sufficient numbers of private sector entities that are interested to be involved in developing these local produce.
- Several potential local commodities are located within forested areas (Aceh, Kalimantan, and Papua). Thus, collaboration and coordination with the forest authority is crucial in addition to sustainably managing the harvest and forest at the same time.
- The private sector entities in the rubber business in Kalimantan have showed a very positive response to the opportunity for partnership under PPP. However, the ability to contribute is limited by the fact that the global price of rubber is currently still too low despite a slight increase over the past few months.
- Several potential resources for local livelihoods have been identified in Papua, especially within Lorentz Lowlands and Mappi-Bouven Digoel Landscapes. The most challenging issues are accessing sustainable markets and dealing with the lack of infrastructure.
- Potential local commodities can be located and planted within/close to conflict areas (tenure issue) or conservation areas. Hence commodity development should be integrated with the conservation villages initiative to ensure that the all issues are properly addressed.
- Based on the assessment result, most of the identified local commodity products are only available in limited and inconsistent volumes, which is not attractive for private sector buyers. Diversification of products could be crucial to support sustainable trading.
- The work under RFA-004 will be inevitably overlap in some areas with LESTARI landscape team, thus coordination is crucial to make sure that all activities are well integrated to support the achievement of LESTARI goals.
- Integration between conservation and livelihood initiatives are very crucial in creating significant impact through the landscape. Support from MSF platform is also providing further linkage with key stakeholders in the region.



## Priority Activities for Year 2

- Further implementation of PPP Organic Cacao in Aceh (Leuser landscape) and establish stronger synergy with the conservation work under TT2 to create significant impact in the landscape.
- Integrate with work under PPP community rubber with the RPJMDes assistance in Pulang Pisau, Central Kalimantan. In addition, LESTARI is also preparing the development of local livelihoods in several villages in Central Kalimantan, especially involving rattan and freshwater fisheries. Part of the work will be implemented through grant mechanism, thus synergy between LESTARI team in the field with the grant team is crucial. The LESTARI team will also follow up with several private sector entities for potential PPP development involving the surrounding communities.
- Signing PPP agreements for nutmeg, pine resin (Leuser Landscape), and new additional private sector partners for community rubber (Katingan-Kahayan Landscape). Synergy with grantees will be also strongly sought.
- Facilitation by LESTARI landscape team for the discussion and negotiation between the JAVARA team and the farmer groups on pricing and organic certification mechanism in Aceh (Leuser landscape).
- Finalization of the pre-award process for RFA-004 for all 6 landscapes and awarding the final selections.
- Implement activities for development of sustainable livelihood initiatives in Leuser (for wild honey and fresh water fisheries) and Katingan-Kahayan (work from grantees).
- Carry out a detailed community and market access assessment in Lorentz lowlands and initiate community-based green enterprises and PPPs in Cyclops, Lorentz and Mappi-Bodi Landscapes to develop commodities that increase the value of the forest and promote conservation. Activities on the ground will be closely synergized with the work on co-management.

## LESTARI 7 – Private Sector Best Management Practices (BMPs)

### Year 1 Progress

Year 1 activities, as outlined in the ToC for the Private Sector BMPs, and associated outputs are summarized in the matrix below.

Industry Certification, Best Management Practices (BMPs) and Conservation Management & Mitigation Plans (CMMPs)		
Year 1 Activities	Year 1 Output	Impact & Indicator
7.1 Assessment for potential BMP collaboration 7.2 Potential private sector identification	<ul style="list-style-type: none"> <li>List of potential program continuation under IFACS (CMMP/HCV HCS and RIL) from Katingan-Kahayan, Sarmi and Lorentz landscapes</li> <li>List of potential private sectors to be engaged with LESTARI under BMPs from Katingan-Kahayan, Sarmi &amp; Lorentz Landscapes</li> </ul>	<p>Katingan-Kahayan Landscape:</p> <ul style="list-style-type: none"> <li>Total timber companies under MOU: 9 companies, representing 576,480ha of concession land/forest.</li> <li>List of companies: <ol style="list-style-type: none"> <li>1. PT Dwima Jaya Utama</li> <li>2. PT. Carus Indonesia</li> <li>3. PT. Hutan Mulia</li> <li>4. PT. Hutan Domas Raya</li> <li>5. PT. Graha Sentosa</li> <li>6. PT. Sarana Piranti Utama</li> <li>7. PT. Fitamaya Asmapara</li> <li>8. PT. Sikatan Wana Raya</li> <li>9. PT. Kayu Waja</li> </ol> </li> <li>Best Management Activities to be implemented: Reduced Impact Logging (RIL) training and practices.</li> </ul>
7.3 Identify the appropriate BMPs collaboration with the private sector partners 7.4 Develop plan with private sector partners to implement the monitoring / implementation of CMMPs/HCV-HCS	<ul style="list-style-type: none"> <li>Shortlist of potential private sectors for BMP collaboration</li> <li>Results of field-check for shortlisted potential partners with suitable BMP collaboration for the new private sectors</li> </ul>	
7.5 Develop common interest to be included in the BMP MOU	<ul style="list-style-type: none"> <li>Signed MOU documents with 11 HPH in Katingan-Kahayan and Sarmi Landscapes</li> <li>Result on GAP-baseline analysis on the potential BMP collaboration (RIL-C technical assistance)</li> </ul>	<p>Sarmi Landscape:</p> <ul style="list-style-type: none"> <li>2 timber concessions under MOU with LESTARI</li> <li>List of companies: <ol style="list-style-type: none"> <li>1. PT Wapoga Mutiara Timber (169,170 ha)</li> <li>2. PT Salaki Mandiri Sejahtera (79,130 ha)</li> </ol> </li> <li>- Best Management Activities to be implemented: Reduced Impact Logging (RIL) training and practices</li> </ul>

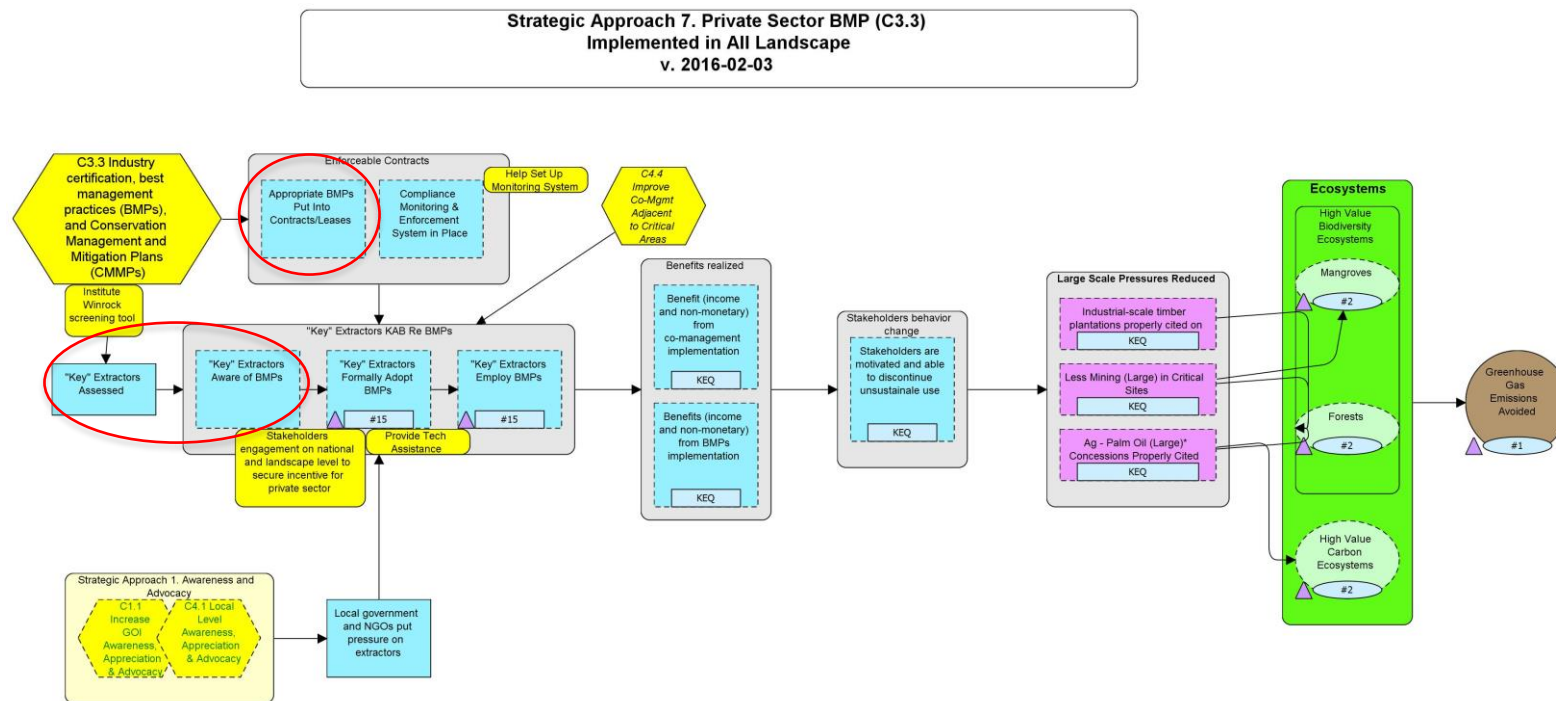
The activities under Strategic Approach 7 during Year 1 were concentrated mostly in the Katingan-Kahayan and Sarmi Landscapes, where the most of concessions are located. Timber, mining, and oil palm companies are the main potential private partners to be engaged through BMP collaboration. Also based upon on the previous work under IFACS, there are several items to follow up under the BMP approach including a follow up on RIL activities and operationalization of CMMPs.

The initial assessments were conducted by reaching out to previous private sector partners under IFACS, engaging new potential partners in the landscape area, and meetings with

associations (such as APhi, GAPKINDO, APINDO, GAPKI, SPKS, APBI) as well as other key stakeholders. The result from intensive consultation and communication was the signing of 11 MOUs for BMP collaboration (especially for RIL-C and CMMP/HCV-HCS technical assistance). RIL-C trainings will support the concessions in improving logging practices in order to minimize the impact to the environment while also reducing GHG emissions.

LESTARI will engage a third party under sub-contractor mechanism to conduct the RIL-C trainings during Year 2. The RIL-C trainings will be conducted in two stages. The first stage involves a baseline-gap analysis to identify the current situation and baseline setting for each concession, while the second stage is the RIL-C training itself. The training will be tailored according to the needs of each concession based on the baseline-gap report. At the moment, LESTARI team is finalizing the baseline analysis on the field for the reference of second stage. Further details of this BMP collaboration can be found in the landscapes sections for Katingan-Kahayan and Sarmi.

The Theory of Change diagram for this Strategic Approach, with LESTARI's Year 1 areas of progress and/or focus circled in red, is shown below.



## Challenges and Opportunities

- Important wildlife species, especially orangutan, are under threat from poaching and habitat destruction within oil palm concessions in the Katingan-Kahayan Landscape. This presents an entry point to collaborate with timber, mining and oil palm concession owners and local conservation programs from national parks.
- LESTARI is working with USAID to explore opportunities to provide technical training in Reduced Impact Logging (RIL) in natural forest timber concessions (HPHs) that were established before December 30, 2013. This provides an essential opportunity for collaboration with the logging companies and ultimately support their adoption of low emissions and conservation oriented business practices.
- LESTARI will also work closely with its RIL training implementer to ensure a robust training curriculum that effectively incorporates biodiversity conservation practices into its standard RIL guidelines. Some of the timber companies are not in healthy financial condition which hamper the direct implementation of RIL in the field.

## Priority Activities for Year 2

- Start the recruitment process of RIL-C trainers through the sub-contract mechanism for all 11 HPH concession partners based on the result of baseline-gap analysis.
- Exploring & Finalizing BMP agreements with several private sectors in Lorentz Lowlands (Dyandiani-timber company & PAL-oil palm company).
- Another potential BMP collaboration agreement is also under finalization with oil palm plantations in the Katingan-Kahayan Landscape. The collaboration involves IFM implementation, seeking to prevent future recurrence of the 2015 fires within their concessions, which were responsible for such environmental devastation and economic turmoil for concessionaires. Due to issue of licence status of the concession, LESTARI is exploring options from indirect collaboration. LESTARI team is intensively communicating and coordinating in the field.
- Explore potential for BMPs with private sectors in the Mappi-Bodi area to support land use rationalization for licensed areas yet to be exploited for oil palm in the landscape.

## LESTARI 8 – PES and REDD+ Innovative Finance

### Year 1 Progress

In support of SA 8, the progress achieved by LESTARI team members Sustainable Travel International (ecotourism) and PT Hydro South Pole Carbon (PES) during Year 1 is charted against the ToC in the matrix below. A summary of the main activities and tangible results achieved is provided, followed by a more detailed description of activities and milestones achieved.

Enhance district access to financing	
Year 1 Activities	Year 1 Outputs
Eco-Tourism: Initial assessment	<ul style="list-style-type: none"> <li>• Inception report</li> <li>• Project preparation and initial planning report</li> <li>• Product inventory and competitive analysis database</li> <li>• Participatory mapping of existing and potential/planned ecotourism opportunities and clusters in the Leuser and Katingan-Kahayan Landscapes.</li> <li>• Product Evaluation Tool (PET),</li> <li>• Product evaluations of highest priority ecotourism sites in Leuser Landscape and Central Kalimantan landscape completed</li> <li>• Ecotourism opportunity report</li> <li>• Baseline data of current visitor numbers, employment in tourism, and pricing</li> <li>• Draft ecotourism impact monitoring framework</li> <li>• Draft resident and visitor surveys</li> <li>• Development of an MOU with the Central Kalimantan Provincial Tourism Authority</li> <li>• Initial evaluation of potential for a PPP between DWIMA, LESTARI and Rakata in Central Kalimantan</li> </ul>
PES: Raising awareness and advocacy for PES	<p>Four Multi-stakeholder Workshops held with National, Provincial, District and Local level government, communities, private sector, associations, NGOs, community forums, media, and academia in:</p> <ul style="list-style-type: none"> <li>• Jakarta, national level workshop, 58 participants.</li> <li>• Banda Aceh, provincial level workshop, 43 participants.</li> <li>• Tapak Tuan combined Aceh Selatan and Aceh Barat Daya district level workshop, 42 participants.</li> <li>• Blangkejeren combined Aceh Tenggara and Gayo Lues district level workshop, 41 participants.</li> </ul> <p>Small focus group meetings with tourism and national park departments:</p> <ul style="list-style-type: none"> <li>• Sebangau National Park, Central Kalimantan</li> <li>• Bukit Baka Bukit Raya National Park, Central Kalimantan</li> <li>• Central Kalimantan Provincial Tourism Authority</li> <li>• Aceh Provincial Tourism Authority</li> <li>• Aceh Tenggara Department of Tourism</li> <li>• Gayo Lues Department of Tourism</li> <li>• Gayo Lues, Head of District</li> <li>• BKSDA - Singkil Wildlife Reserve</li> </ul>

### Ecotourism

LESTARI team member STI has been working in the Leuser and Katingan-Kahayan Landscapes to identify and short-list high potential opportunities for developing ecotourism as an innovative financing tool for conservation. An Inception Report was completed in December 2015, which included an initial desktop scoping of the current state of Indonesia's



tourism industry at both the national and landscape levels, including supply and demand, governance structures, initiatives, and value chains.

In January and February 2016, on-site project activities kicked off with a series of workshops and focus group meetings on Stakeholder Mapping for Ecotourism Development. Through this process the team engaged with over 210 stakeholders from the National, Provincial, District and Local level government, communities, private sector, associations, NGOs, community forums, media, and academia at the national level in Jakarta, and subsequently in the Leuser Landscape (Banda Aceh, Tapaktuan, and Blangkejeren) and in the Katingan-Kahayan Landscape (Palangkaraya, Katingan, and Pulang Pisau). The outcome of this process was a stakeholder map and the preliminary identification of key natural and cultural assets, tourism infrastructure and facilities, tour operators and routes, and destinations for each landscape.

From this foundation, the LESTARI team conducted a comprehensive analysis of current and potential visitor flows within and to Central Kalimantan and Aceh, and their competing destinations, so that local, domestic, and international product positioning opportunities and challenges could be identified.

During the second site visit, July to September, the team worked with the landscape teams and key provincial, district and local government, national park, community, and private sector tourism stakeholders to undertake a participatory mapping of existing and potential/planned ecotourism opportunities and clusters in the Leuser and Katingan-Kahayan Landscapes. These stakeholders identified as highest priority the following areas:

- Katingan-Kahayan Landscape: Sebangau National Park, Bukit Baka Bukit Raya National Park, Pulang Pisau
- Leuser Landscape: Trumon Wildlife Corridor, Singkil Wildlife Reserve, Kedeh, Agusen and Ketambe

The team developed a Product Evaluation Tool (PET), which they used to 1) collect baseline visitation and economic impact data; 2) assess and rank the ecotourism potential of the prioritized opportunities; 3) screen the priority areas for conservation value; local, domestic, and international market demand; socio-economic value; PPP prospects; and investment risks. Based on the results of the PET and participatory planning processes, several potential opportunities and partnerships were explored, including a potential PPP in the Katingan-Kahayan Landscape.

The team also developed a draft ecotourism impact-monitoring framework – in accordance with the LESTARI AMEP – and visitor and resident surveys to collect baseline data and inform progress on key results and ecotourism performance. Specifically, the visitor survey aims to identify opportunities for new tourism products through market information and track changes in the tourist profile, spending, and satisfaction. The resident survey aims to track changes in perception and attitude towards tourism, informing LESTARI how successful the ecotourism initiative is in increasing the perceived value of the forest for ecotourism. Initial discussions were held with the Provincial Tourism Authority to collaborate on implementation of the surveys within Year 2. The intention is that through this collaboration capacity can be enhanced.

## Challenges & Opportunities

The Leuser and Katingan-Kahayan Landscape visits, stakeholder meetings, and product evaluations and screenings also revealed a number of general obstacles to ecotourism development which include:

- Low level of tourism-enabling infrastructure and facilities
- Lack of government resources and market understanding for community-focused ecotourism development centered around the National Parks of Gunung Leuser, Sebangau and Bukit Baka Bukit Raya, and the Trumon Singkil Wildlife Reserve
- Unrealistic community expectations of the revenue that will be generated from ecotourism
- Product-led packages are being developed that are not linked to market demand
- Expensive package pricing (including food and transport) is not commensurate with value and quality of experience
- Weak standard of local guides and lack of engaging information and interpretation about both natural and cultural assets
- Potentially harmful orangutan viewing practices in Sebangau National Park
- The annual haze season in Central Kalimantan
- Negative perceptions of Sharia law in Aceh

## Priority Activities for Year 2

The priority activities for Year 2 will be to:

- Short-list ecotourism opportunities and partnerships that will have the highest impact on achieving LESTARI Key Results. This will be done through the following key steps:
  1. Product Evaluation Tool screening process will identify potential target markets, key shortfalls, PPP opportunities, interventions required and investment risks
  2. Market analysis to ensure that the products planned match target market demand and can be strongly linked to market access channels
  3. Stakeholder validation and, environmental and community impact/benefit assessment
- Identify the required interventions to actualize each of the short-list ecotourism opportunities, including:
  1. Develop ecotourism business models for the highest priority short-listed projects and assess cross-cutting needs (including hospitality training, product development, competitive pricing workshops, language and guiding skills, advocacy and awareness raising)
  2. Explore the potential for domestic and international public-private investment partnerships matched to the short list of needed interventions
  3. Support Technical Theme 5: Protected Area Management, C2.2 Pilot Innovative Financing for Protected Areas to develop ecotourism masterplans/site plans with pilot projects, to help unlock ecotourism in the National Parks and Wildlife Reserves
  4. Design and implement – in partnership with local experts – a Government, National Park, local association/NGO and community training and capacity building program to include use of the Orangutan Ecotourism Guidelines being developed by WWF and Sebangau
  5. Strengthen domestic and international market linkages through outreach, investment awareness meetings, and PPP investment profiles

- Develop and coordinate ecotourism synergies with other LESTARI Themes and Strategic Approaches including: PPPs, Alternative Livelihoods, Operationalizing SEAs and LCPs, MSFs, Co-Management, Awareness and Advocacy

## **PES**

During Year 1, a comprehensive assessment was completed that outlined the current financial architecture for PES/REDD+ in Indonesia. The assessment provided extensive information on possible finance options from both domestic and international funding sources for sustainable rural landscapes in Indonesia that could potentially be used to finance activities in line with LESTARI's objectives. It presented comprehensive information on eligibility, funding mechanisms, size of funding available, disbursement channels and other relevant information for each identified funds. The funds were classified into three main groups: nationally operated financial support, internationally operated financial support, and private sector and civil society operated financial support. Taking into account recent developments from the UNFCCC COP21 in Paris, private sector sustainability activities and results-based payments were also analyzed and framed within the overall financing architecture.

The report also mapped out institutions with a mandate to implement PES/REDD+ schemes and identified key actors and potential partners to implement PES/REDD+ activities within the LESTARI landscapes. A preliminary assessment on the capacity of the institutions in the landscapes was also carried out through a desk review, expert input, and interviews using questionnaires. The preliminary capacity assessment focused mostly on knowledge and practical experience in the implementation of activities similar to PES/REDD+. Among organizations surveyed in Aceh, Central Kalimantan, and Papua, only a few currently have the capacity to implement PES/REDD+ related activities. As part of this assessment, the report also identified regulations related to PES/REDD+ at the national, provincial, and district levels relevant to the LESTARI target landscapes.

The report presented a list of achievable and realistic recommendations to pursue in the next four years, including leveraging the Village Fund for LESTARI's PES schemes, accessing the Green Climate Fund (GCF) for LEDS activities, and tapping into Norway funds to support Integrated Forest Management (IFM) and peatland restoration activities in Central Kalimantan.

Following up the recommendations made in the initial report, LESTARI used the latter part of first year to develop an initial draft of a toolkit for assessing the feasibility of PES schemes. This toolkit was the focus of work after the initial report as to create a clear way forward for future activities related to PES/REDD+ outcomes for the project. The toolkit is aimed to help actors such as Forest Management Units (KPH), multi-stakeholder forums (MSF) and/or local district level governments to assess if a PES scheme is relevant and/or feasible in a landscape setting. The toolkit is focused on the critical factors in PES design, such as the identification of environmental services (or bundles of services), the performance based payment aspects, including the distribution mechanism, the definition of sellers and buyers (who will pay), the capacity gaps, and the overall governance structure of the PES scheme. The toolkit explores possible PES options for the following types of environmental services: carbon/forest, water, and biodiversity.

In developing the PES feasibility toolkit, the LESTARI team visited some of the key PES projects in Indonesia to establish critical factors for feasibility, lessons learned, and tips and tricks when establishing and designing a PES scheme. Additionally, a consultation workshop in Jakarta was undertaken in September where relevant stakeholders and those with knowledge on PES in Indonesia were organized to gather input and help validate the toolkit. Nine sites were assessed and were used to help identify which areas to focus on. The result was the short-listing of six sites in the Leuser Landscape and three opportunities in the

Katingan Kahayan Landscape. Two of the highest potential sites from each landscape have been prioritized for further implementation plans.

The toolkit will be piloted in these locations in the early part of Year 2 and will be directly involving MSF within the landscapes, and engaging directly with local governments as part of the process. The result of this activity will lead to the completion of feasibility assessments, which will inform future activities related to PES in the landscapes including developing and implementing PES schemes where feasible.

Furthermore, LESTARI is committed to look for alternative funding sources to finance activities outlined in the Project Concept Notes (PCNs) which were developed under Indonesia Forest and Climate Support (IFACS). In Year 1, activities to support this included: the development of project information sheets for each of the four proposals, donor meetings which will lead to the development of an actionable funding plan for each of the project proposals early in year 2.

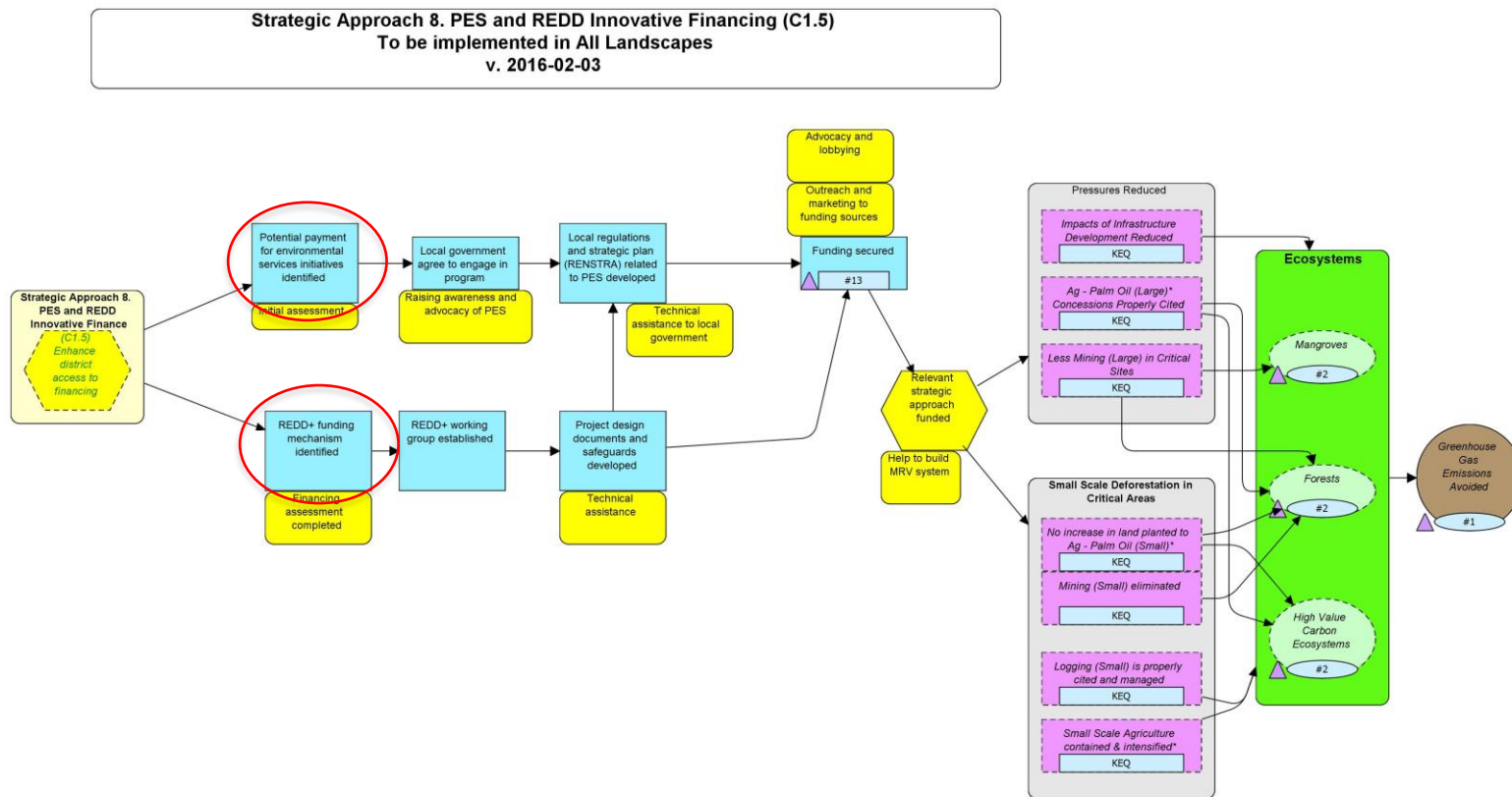
## Challenges and Opportunities

- There has been limited progress towards delivery of integrated climate finance and results based payment schemes in Indonesia, this includes PES and REDD+. Current developments indicate that a new Government Service Unit (*Badan Layanan Umum – BLU*) under Ministry of Finance (MoF) will most likely takeover the management of all climate related funding including the Norway funds and ICTTF. However, timeline and institutional arrangements of this plan is still uncertain given the architecture and overlapping roles and functions of several government institutions working on the different aspects of climate finance in Indonesia.
- The enactment of National Law No. 23 of 2014 on Local Governance has redefined the relationship between government authorities (the central, provincial and local governments) in forest governance in Indonesia. This significant shift in responsibilities will eventually affect the implementation of PES/REDD+ related activities, however in most cases this has not been discussed in detail yet.

## Priority Activities for Year 2

- Piloting the PES feasibility toolkit in the LESTARI landscapes to refine the toolkit and produce regional feasibility reports for Aceh, Central Kalimantan, and Papua.
- A second consultation workshop in Jakarta to validate and share the PES feasibility toolkit with a wider audience will also be conducted after pilot activities.
- Synergizing PES/REDD+ related programs with local government plans, i.e., Renstra.
- Obtaining buy in from stakeholders for the establishment of a possible PES scheme by introducing the results of the regional PES feasibility studies, followed by the establishment of project specific working groups to flesh out a PES design where they are feasible.
- Finalizing and funding action plan that will secure funding for IFACS PCNs followed by successful project implementation.

The Theory of Change diagram for this Strategic Approach, with LESTARI's Year 1 areas of progress and/or focus circled in red, is shown below.



# PROJECT COORDINATION, MANAGEMENT, AND COMMUNICATIONS

## COORDINATION AND MANAGEMENT

During the start-up phase prior to project launch, LESTARI COP and Operations Manager oversaw a robust mobilization process to ensure that the project starts up in a cost-effective, efficient, and contract compliant manner. All key personnel were mobilized by early October 2016, fully executed subcontracts for all 9 LESTARI partner organizations were put into place, and LESTARI offices in all landscapes became fully functional.

Subsequently, successful LESTARI launch events were held in all landscapes together with USAID, local government, and LESTARI staff and partners. These events were aimed at socializing stakeholders on LESTARI's landscape visions as well as building strong buy-in and support to ensure long-term success of the project. Launch events were followed by regular senior management support to ensure the ramp-up of landscape-level field activities that form the foundation for achieving contract deliverables and results. This involved operational and technical support, with an emphasis on implementing Theory of Change, to staff and subcontractors. Beginning in the middle of the year, when a significant range of field activities were already under implementation, a greater emphasis was placed on building synergies between technical themes and creating a vision among staff and partners for a landscape approach. The LESTARI MIS, designed and managed from Jakarta, was rolled out to manage operations, share information internally, and track progress in an efficient manner.

Throughout the year, LESTARI engaged routinely with USAID as well as with GOI partners at both the national and provincial/district levels. To promote efficiency and scale up impact, LESTARI took a leadership role in coordinating with other USAID and USG-supported terrestrial biodiversity projects, as well as other donor-funded projects (UKCCU, EU, KfW, GIZ) impacting LESTARI's landscapes. Highlights from the first year include the following:

- Successful launch events held in Central Kalimantan (attended by Deputy U.S. Ambassador and USAID Mission Director), Papua (in the presence of the Governor and together with the US Ambassador) and Aceh (attended by members of BAPPENAS, KLHK, USAID, and Aceh provincial and district governments).
- MOUs signed with the Governor of Papua, Aceh's Dinas Kehutanan, and the Aceh Barat Daya District Government.
- Boot Camps held in Central Kalimantan, Aceh, and Papua with senior Jakarta and landscape-based staff in order to establish a clear vision of LESTARI's objectives and landscape initiatives.
- Island-based (Aceh, Kalimantan, and Papua) mid-year review meetings in Jakarta to assess progress and adjust approaches to landscape-level work plans. These



meetings were essential in setting the tone for integrated and synergized landscape approach to field activities.

- Regular senior management and technical team support visits to landscapes, including implementation of a policy requiring senior technical staff to spend a minimum of two weeks per month working in the landscapes to support and mentor LESTARI staff and partners in relevant sustainable landscapes and biodiversity conservation work.
- Regular senior management engagement with LESTARI subcontractors to ensure efficiency and effectiveness of technical support to the project.
- Roll-out and modification of the LESTARI MIS to ensure regular, accurate, and efficient monitoring and management of landscape field activities.
- Routine engagement with GOI and CSO partners at the landscape and national levels to ensure LESTARI clearly supports priorities of mutual interest.
- Coordination meeting with fellow USAID terrestrial programs, LESTARI, BIJAK, DOI, GOL, USFS, and ASLI-PPP as well as relevant Directorates under KLHK to facilitate greater cross-project communication, prioritize opportunities for closer collaboration, and more clearly align USAID terrestrial program strategic themes with RENSTRA KLHK.
- Additional coordination with BIJAK to discuss major policy interventions that, if followed through, promise to have a significant impact on LESTARI landscapes related to harmonized spatial zonation between conservation, KPH and APL, removing constraints that undervalue forestry resources and limit social forestry development and promoting transparency of geospatial information exchange related to natural resource licensing.
- Ramp-up of landscape field activities through LESTARI's Grants under Contract program, including awards for orangutan conservation in Leuser and Katingan-Kahayan Landscapes.
- Regular communications with USAID through weekly meetings, field visits, and other meetings as necessary.
- Regular Senior Management Meetings, held each Monday morning at 9:00 AM and including senior staff while also open to other technical staff and subcontractors, to ensure coherence and impact of LESTARI work.
- Successful Year 2 Work Planning sessions with Jakarta-based senior staff and landscape staff in attendance. Sessions were held in Palangkaraya for the Katingan-Kahayan Landscape, Banda Aceh for the Leuser Landscape, and Jayapura for Papua Landscapes. Activities entailed breakout sessions per technical theme to discuss and update the ToC diagrams and build out detailed landscape activities.
- Successful Limited Financial Review with USAID/Indonesia's OFM towards the end of Year 1, demonstrating the quality of LESTARI's systems and procedures.

## Personnel

The mobilization of key senior personnel was completed early within the first quarter of Year 1. This included Chief of Party, Deputy Chief of Party, Operations Manager, and technical leads (Forest Governance Advisor, Biodiversity Conservation Advisor, and Private Sector Engagement Coordinator). Other technical and operational positions, in both Jakarta and the landscapes, were filled with high quality candidates throughout the year as field activities were scaled up and human resources needs expanded. An up to date staffing table for all LESTARI offices is provided in the appendices. STTA support was utilized strategically throughout Year 1 and is summarized in the following table.

STTA Title	Office Base	Status
Protected Area Management Specialist	Jakarta	Completed
Co-Management and PES Specialist	Jakarta	Completed
Integrated Fire Management Field Manager	Jakarta	Completed
Procurement Officer	Jakarta	Completed
Stakeholder Coordination Specialist	Jakarta	Completed
Fire and Peatland Policy Specialist	Jakarta	Completed
Private Sector Partnership Specialist	Jakarta	Completed
Knowledge Management Specialist	Jakarta	Completed
LESTARI Technical Writer	Jakarta	Completed
Spatial Planning Institutional Development Specialist	Jakarta	Completed
Peatland Hydrology Management Specialist	Jakarta	Completed
Forestry Private Sector Engagement Advisor	Jakarta	Ongoing
Integrated Fire Management Advisor	Jakarta	Completed
Low Emission Development Specialist for Strategic Environmental Assessments	Jakarta	Completed
Strategic Environmental Assessment Specialist	Jakarta	Completed
Communications & Branding Specialist	Jakarta	Ongoing
Spatial Planning Institutions for Zonation	Jakarta	Ongoing
Peatland Hydrology Management Peer Reviewer	Jakarta	Completed
Sustainable Land Use Planning Coordinator	Jakarta	Ongoing
Spatial Planning and Resource Licensing Specialist	Jakarta	Ongoing
Terrestrial Biodiversity Liason Officer	Jakarta	Ongoing
Peatland Hydrology Management Specialist	Jakarta	Ongoing
Senior Peatland Hydrology Management Advisor	Jakarta	Ongoing
Economic Resource Valuation Specialist	Jakarta	Completed
Conservation Area Zonation Specialist	Jakarta	Ongoing
Consultant for Dana Desa Regulation of Aceh Tenggara	Gayo Lues	Completed
Consultant for RPJM Desa of Aceh Tenggara	Gayo Lues	Ongoing
Gender Expert	Remotely	Completed
Evaluator of Rubber Development on Shallow Peat as a Deterrent to Land and Forest Fire	Palangkaraya	Completed

Landscape Spatial Planning and GIS Specialist	Palangkaraya	Completed
Sustainable Land Use Specialist	Palangkaraya	Completed
Katingan-Kahayan Landscape Management Advisor	Palangkaraya	Ongoing
Facilitator for KUBK in Block C	Palangkaraya	Ongoing
Landscape Ecotourism Specialist	Palangkaraya	Ongoing
Landscape Spatial Planning and GIS Specialist	Banda Aceh	Completed
Landscape Ecotourism Specialist	Banda Aceh	Ongoing
Video Producer	Timika	Completed

Towards the end of Year 1, the decision was made to introduce an additional DCOP position in order to provide greater programmatic support at the landscape level and to alleviate any tendency for emergence of silos among technical themes. DCOPs report directly to the COP and, together, meet with the COP on a weekly basis to discuss routine programmatic and technical issues as well as on an ad hoc basis for addressing any emerging concerns or opportunities. Beginning in Year 2, Ms. Linda Ekaputri will join Neville Kemp as a LESTARI DCOP. Ms. Ekaputri will oversee LESTARI's Aceh and Central Kalimantan landscapes as well as the Forest Governance and Advocacy technical theme and overall project monitoring and evaluation. Nev Kemp will be responsible for Papua's 4 landscapes as well as the Conservation Co-Management and Private Sector Engagement technical themes.

All LESTARI activities operated in full compliance with USAID regulations and requirements regarding the environmental impact of project activities. Reporting on the Year 1 Environmental Mitigation and Monitoring Plan (EMMP) outcomes, including identified environmental impacts, mitigation measures, and monitoring indicators, will be submitted separately from this AR.

## COMMUNICATIONS

The LESTARI Communications team is tasked with effectively documenting and disseminating LESTARI project achievements, results, best practices, and lessons learned to a broad audience at the international, national, and local levels. This amplifies the messages of the technical themes while promoting synergy and coherency within the project.

The overall Communications Strategy in Year 1 was to build foundational support for LESTARI, communicating its various strategic approaches and landscape initiatives to local (provincial and district) and national government (KLHK and Bappenas), civil society, and private sector stakeholders both within and outside the landscape. Year 1 also involved designing and initiating a range of regular communications products and channels in order to build a presence and establish proper outreach mechanisms.

An early item of progress was the designing and launching of the LESTARI website. Since launch, it has served as an important communication tool that allows LESTARI to quickly and easily share content with all stakeholders. It is regularly updated with latest on-the-ground activities, briefs and papers, Stories From the Field, technical assessments, project reporting, multimedia, and so forth. The website can be accessed at the following URL: <http://www.lestari-indonesia.org>

Initial communications products aimed to convey LESTARI's approach and included 6 technical factsheets, 6 landscape factsheets, a LESTARI Glossary of Terms, infographics, press releases, posters, and banners. These products were shared widely through email and

the LESTARI website, as well as at LESTARI launches and other socialization events with all key stakeholders.

Subsequently, communications activities transitioned to a broader range of objectives and content areas. In collaboration with the Knowledge Management team, impact stories and landscape challenges were highlighted through publications such as Stories From the Field, Briefs, and the Forest and Land Fires Impact Study (see Knowledge Management section table for full list). These items were shared with relevant MSF members, KLHK, Bappenas, USAID, and civil society members in Jakarta and across the relevant LESTARI landscapes.

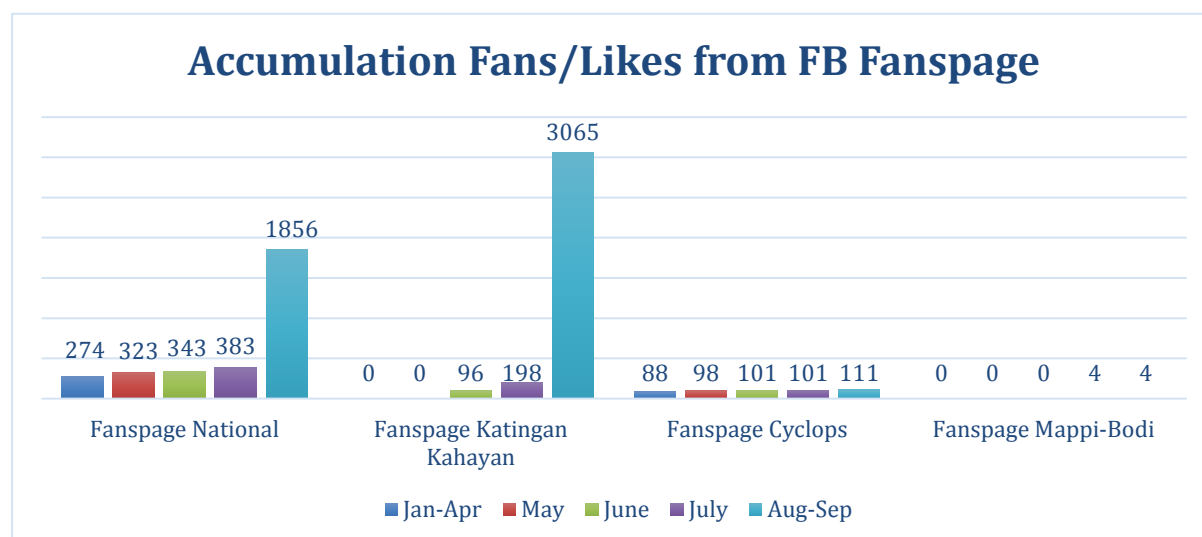
In collaboration with the forest and land use governance technical team, visualizations of landscape outcomes (a BAU scenario and sustainable landscape scenario) from canal blocking activities were produced. These slideshow visualizations targeted members of the Pulang Pisau MSF, aiming to clearly inform them how canal blocking would raise water levels in the peat and reduce the risk of fire.

A LESTARI YouTube channel was created to widely share compelling short videos created by LESTARI that highlight the challenges facing the landscapes and their communities with regards to forest fires, biodiversity threats, deforestation, and the natural capital worth protecting. Links to videos were also shared via the LESTARI website and social media outlets. In cooperation with LESTARI partners Save Our Borneo (Grantee) and Mongabay Infis (Subcontractor), 10 videos were created. Notably, *Sumarjito and Zero Burning Land Clearing Method* was specifically requested to be viewed by the Minister of KLHK, Ibu Siti Nurbaya, upon learning about Pak Sumarjito's profile.

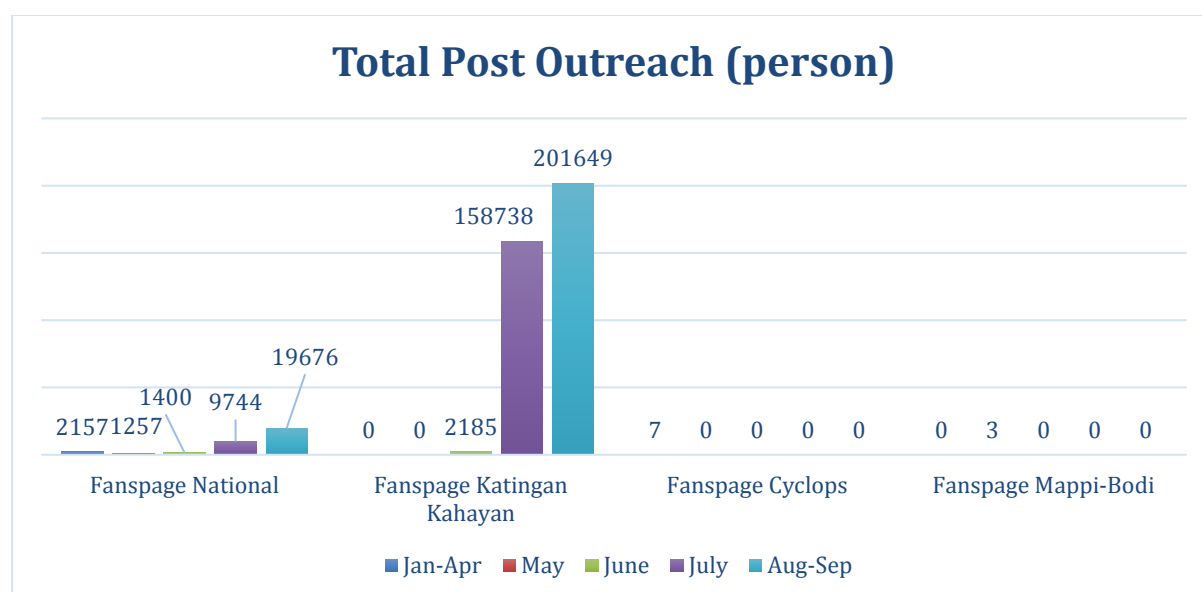
Video Title	Publish Date	LESTARI Partner
Peatland: A Million Charms a Million Challenges	April 12, 2016	Save Our Borneo (SOB)
Silent Heroes (Story of Fire Fighters)	April 12, 2016	
Disaster Prevention Solution Through Local Wisdom	April 12, 2016	
2015 Haze Crisis: Reflecting on the Impact	April 12, 2016	
Disaster and Our Country	April 12, 2016	
Save Our Last Standing Tree	July 28, 2016	Mongabay Infis
Begantung Lake	August 19, 2016	
Orangutan Released into the Wild at Bukit Baka Bukit Raya National Park	September 9, 2016	
Sumjarjito and Zero Burning Land Clearing Method	September 23, 2016	
Peat Forest Restoration Program in Sebangau National Park	October 4, 2016	

Moreover, social media channels were initiated and consistently monitored and updated in order to broaden the reach of LESTARI's key messages and ultimately build strong constituencies for conservation. Updates primarily consisted of three types of posts: (1) latest articles aimed at awareness raising on climate change, forestry, and biodiversity issues; (2) compelling imagery of the value landscape in order to highlight the natural capital worth protecting; and (3) key LESTARI activities and outcomes, with a minimal depiction of indoor meetings. National accounts targeted national and international-level audiences, while landscape accounts largely targeted communities within those landscapes.

At present, LESTARI manages 4 Facebook fanpages (Leuser, Katingan-Kahayan, Mappi-Bouven Digoel, and national-level), 2 Facebook profile pages (Lorentz Lowlands and Cyclops), and one national-level Twitter handle. The graphs below illustrates the growth in followers and outreach over Year 1, highlighting the August-September spike due to a ramp up of social media activity within the fourth quarter in the Katingan-Kahayan and national-level accounts.



Updated September 27, 2016



Updated September 27, 2016

Notably, the Lorentz Lowlands profile page has been the most active and successful in showcasing the value landscape through professional-quality imagery. In Year 2, all profile pages will transition to fanpages in order to allow for easier monitoring and reporting of analytics. Year 2 social media activity will also adhere to quarterly themes so that messages are more coherent and impactful. The recruiting of new communications staff in Papua will allow for an improved social media presence for Cyclops and Mappi-Bouven Digoel Landscapes.

During Year 1, the LESTARI Communications team also actively participated in a range of relevant exhibitions, seminars, and workshops both at the national level in Jakarta and in the landscapes in order to amplify key messages and leverage opportunities to engage directly with stakeholders. 5 of these major events included: Indo Green Festival; Social Forestry Festival; the International Conference on Biodiversity, Ecotourism and Creative Economy in Papua; and the Global Issues Network event in Central Kalimantan.

LESTARI received a special award for best exhibition booth from the Ministry of Environment and Forestry at the Social Forestry event (PeSoNa), which drew around 120 participants and generated productive discussions and recommendations to closely align social forestry and community-based peatland restoration. At the Global Issues Network event, LESTARI partner Mongabay Indonesia facilitated discussion with youth groups regarding documentary filmmaking and the use of social media for supporting conservation initiatives. At the Indo Green festival, LESTARI promoted its activities in the Leuser Landscape to gain public support on collaborative forest management initiatives, encourage the involvement of local champions in LESTARI's communication and advocacy activities, as well as support the Forestry Service of Aceh, one of LESTARI's main partners in the Leuser landscape. Approximately 700 people in total visited the booth and interactive dialogue.

Finally, all LESTARI project documents, technical assessments, and communications materials were updated to be in compliance with USAID branding and marking guidelines as outlined in ADS 320.

## Challenges and Opportunities

- Aggressive start-up in Year 1 resulted in the emergency of technical silos. As the Year 2 Work Plan is rolled out, synergy among different components and activities is the key to establishing significant impact across the landscape.
- More clearly defined activities in the Year 2 Work Plan will reduce the reliance on project-based SOWs and ensure more routine, technical content-driven work.
- Ensure staff and partners understand and utilize the ToC and therefore LESTARI interventions demonstrate and target links that ultimately contribute to the project's overall reduced deforestation and improved biodiversity conservation results.
- To meet requests in various provinces and districts, most notably in Aceh and Papua, LESTARI has developed and is implementing procedures to inform police/military/security authorities of large gatherings, public consultations and visits of foreigners to the LESTARI landscapes.
- Some LESTARI expatriate staff continue to work without proper visas or work permits as they are still under process, preventing shipment of personal effects from overseas, the opening of bank accounts as well as the persistent risk of discovery using inappropriate visas.

## Priority Activities Year 2

- LESTARI Year 2 Work Plan roll out
- Second DCOP roll out to provide more strategic and systemic support to all landscapes and technical components



- Provide ongoing capacity building, operational, and technical support from Jakarta-based senior staff and STTA for landscape-based staff and subcontractors. This also includes regular engagement – at least two weeks per month – of senior LESTARI technical staff at the landscape level. Emphasis will be placed on utilization of the ToC to guide all field activities.
- Conduct and document periodic technical and financial reviews of subcontractors and remind them of required financial audits.
- Conduct and document periodic financial reviews and inventory assessments for each field/landscape office.
- More routine and regular engagement activities with USAID, GOI, and other government partners at the landscape, provincial, and national levels.
- Organize and facilitate quarterly *Tim Teknis* meetings with MoEF, Bappenas, Ministry of Finance, and other GOI agencies to be determined by USAID.
- In coordination with COR, deepen coordination with other donor-funded initiatives impacting LESTARI landscapes (Donor Working Groups on Climate Change, UKCCU, Norway's REDD+ Partnership Program, World Bank and ADB FIPs, EU and KfW).
- Work with WWF to mobilize new staff for Mappi-Bouven Digoel and Cyclops Landscapes.
- For project communications, scale up social media presence and support constituency building in all landscapes in collaboration with SA 1 Awareness and Advocacy.
- Create compelling, creative visualization and video products that feed into and inform MSFs on technical matters.
- Continue to package and disseminate project achievements, impacts, and findings through Briefs, Stories From the Field, and other communication products.
- Hold a communications and advocacy team summit, including landscape staff, in Jakarta to ensure more consistent and coherent communications work early in Year 2.
- Build and disseminate knowledge products for improved gender integration for partners.

# MONITORING AND EVALUATION

## Year 1 Progress

For LESTARI, monitoring and evaluation are critical for building a strong evidence base around LESTARI efforts to reduce GHG emissions and conserving biodiversity and for assessing the wide, diverse range interventions of strategic approaches to address those issues. It is a tool for identifying and documenting successful approaches and tracking progress toward common indicators and to demonstrate that LESTARI efforts have had a measurable impact on expected outcomes and have been implemented effectively. Monitoring and evaluation together provide the necessary data to guide strategic planning, design and implement activities, and allocate and re-allocate resources in better ways.

Early in the first year, LESTARI prepared the Activity Monitoring and Evaluation Plan document as guidance for the project to ensure accountability and learning. The document outlines M&E systems, protocols, and data collection methodologies. The determination of 16 indicators is further founded upon eight solid Theories of Change (ToCs) as tools used to define all building blocks required to bring about positive change. LESTARI's ToCs illustrate the causal linkages between project interventions and serve as a project management tool to review critical assumptions driving LESTARI strategic approaches, facilitate early identification of technical challenges, and serve as a framework for gathering evidence. During the first year, LESTARI's ToCs were regularly promoted amongst staff and project partners.

To facilitate the process of collecting data and reporting, LESTARI developed a user friendly Management Information System (MIS). Utilized by more than 150 staff, the MIS has been used to effectively and efficiently manage activity implementation as well as to monitor progress of results. The MIS under LESTARI has also been extended into supporting operations functions such as travel authorization and leave requests.

Besides providing AMEP guidance and MIS, LESTARI also built a solid M&E team over Year 1 to assist in day-to-day operationalization of AMEP and MIS. Internal capacity building through mentoring was regularly provided by the ME&L Coordinator to M&E team members.

The full Year 1 progress matrix and indicator titles can be found in the appendices.

## Knowledge Management

Knowledge Management (KM) in LESTARI is designed and managed so that LESTARI's know-how, information, and experience can be shared inside and outside the project with partners and stakeholders. Knowledge Management involved a wide variety of activities related to identifying, managing, packaging, and disseminating key information to project staff and partners, and provide project staff and partners with the tools they need to conduct better advocacy and development work. All efforts are aimed at developing *Green Knowledge* that is based on field experiences, would be a valuable contribution in developing government policies related to natural resource management, and could serve as educational media for the public in promoting climate change and environmental issues. During Year 1, KM activities consisted of

- Knowledge production that involved desk studies, field visits to LESTARI program locations, and review LESTARI technical reports
- Knowledge dissemination in the form of LESTARI Brief, LESTARI Paper, LESTARI Journal, and Stories From the Field

LESTARI Briefs are published once per month and present a case study and data analysis on a certain issue along with a set of recommendations to address the issue. Since April until September 2016, LESTARI has produced 6 briefs on the most pressing issues such as peatland and fire, social forestry and poverty, and peatland hydrology.

LESTARI Papers are published on an irregular basis and provide detailed explanation on a technical approach or concept implemented by LESTARI.

The LESTARI Journal is published twice a year and promotes knowledge exchange and experience sharing among researchers, academics, and practitioners with regards to sustainable landscape and natural resource management. Promoting a peatland and fire theme, the first edition of the LESTARI Journal has successfully compiled 9 scientific articles from academics and practitioners that addresses topics including fire impacts, peatland hydrology, alternative financing, and human dimensions on peatland.

Stories From the Field are human-interest stories produced from the landscapes that showcase the challenges, opportunities, and positive impacts of LESTARI interventions on the lives of real people. 7 Stories From the Field were published and shared within Year 1.

All KM products were distributed to targeted audiences that are in one way or another connected to LESTARI's work, such as national government (KLHK, Bappenas), local government, MSF members, NGO/CSOs, academics, and journalists. Positive feedback was received by an increased demand from the audience and requests for new contacts to be included in the circulation list.

In addition, dissemination of project knowledge was done through publication in national media. During the first year, three articles authored by LESTARI staff (2 by ME&L Coordinator, 1 by Biodiversity Conservation Advisor) have been published in the prominent English daily newspaper, The Jakarta Post.

For M&E routine procedures and MIS operationalization, all activities ran smoothly. Internal capacity building among M&E staff was initiated and implemented. This includes report writing, ToC facilitation, and data analysis.

Product	Publication Date	Distribution Mechanism
LESTARI Brief 01: An Integrated Management of Forest and Land Fires	April 11, 2016	Email blast, website, social media
LESTARI Brief 02: The Impacts of Semi-Finished Rattan Export Ban on Land Conversion, Environment, and Farmers' Prosperity	May 27, 2016	Email blast, website, social media
LESTARI Brief 03: Community-Based Peatland Restoration	June 20, 2016	Email blast, website, social media
LESTARI Brief 04: Restoring Peatland Hydrology in Indonesia to Reduce Fire and Haze	July 27, 2016	Email blast, website, social media

LESTARI Brief 05: Community Forestry, Poverty, and Climate Change	August 12, 2016	Email blast, website, social media
LESTARI Brief 06: Ecotourism in Indonesia – Development and Challenges	September 29, 2016	Email blast, website, social media
Story from The Field 01: Exploring South Papua: Their Voice is Our Strength	July 1, 2016	Email blast, website, social media
Story from The Field 02: Actions of the Multi-Stakeholder Forum: Allocation of Village Funds Initiatives for the Environment	July 15, 2016	Email blast, website, social media
Story from The Field 03: Siti Maimunah and the Mungkubaru Adat Community	August 1, 2016	Email blast, website, social media
Story from The Field 04: “Tough but Caring” and Conservation of Cyclops	August 5, 2016	Email blast, website, social media
Story from The Field 05: Following the Leuser Trail with Ibrahim from Ketambe	August 12, 2016	Email blast, website, social media
Story from the Field 06: Indigenous Forest: The People’s Last Remaining Asset	August 19, 2016	Email blast, website, social media
Story from the Field 07: Sumarjito and Land Without Fire	August 29, 2016	Email blast, website, social media
LESTARI Paper 01: <i>Pengelolaan Kawasan Konservasi Secara Kolaboratif</i>	August 11, 2016	Email blast, website, social media
Article: Reviving Peatland Needs Strict Control	May 24, 2016	The Jakarta Post, social media
Article: Women, Disaster, Climate Change	July 31, 2016	The Jakarta Post, social media
Article: Social Forestry: Where are we now?	September 19, 2016	The Jakarta Post, social media

## Challenges and Opportunities

- Regarding M&E, the challenge remains as to how to facilitate staff to have a deeper understanding about ToCs, indicators, and technical content. However, assistance from M&E team has been ensured to continue and remain accessible. In addition, the provision of briefs and papers has been effective in influencing people’s understanding of technical content.
- We did not expect our social media channels to reach such a significant number of individuals within Year 1. For Year 2, we aim to revise targets upward for outreach (indicator #9).
- Regarding KM, the challenge is mostly on maintaining continuity of production and pushing the utilization of all materials in technical discussions (such as MSF discussions) and advocacy efforts. Since LESTARI has recruited an advocacy specialist in Jakarta, this utilization issue will be better addressed during Year 2.

## Priority Activities for Year 2

- For M&E, Year 2 work plan will involve revisiting ToCs and AMEP indicators due to better assumptions compared to the first year, setting up and preparing mid-term evaluation, and conduct internal field study to evaluate progress and results.
- For KM, Year 2 work plan will ensure continuity of products, facilitate regular technical or knowledge exchange discussions among stakeholders, working closely with technical component leaders.
- Provide support for tracking overall Year 2 goal of 1.7 million hectares of biological significance, including orangutan habitat, and/or natural resources under improved management.
- Produce LESTARI briefs on a regular basis, initiate technical discussion/exchange knowledge about certain issues or concepts contained in LESTARI briefs both internally and externally with other USAID projects and programs.
- Review ToC diagrams in conjunction with technical teams for Year 2 Work Plan.

## Story From the Field 07: Sumarjito And Land Without Fire

August 29, 2016

Forest and land fire is a ghost to environment; it reduces soil fertility, threatens biodiversity, reduces forest asset, and exacerbates global warming. According to FAO, forest fire occurs in almost 95 countries and covers 500 million hectares annually. Besides natural causes, forest fire is also human-induced. Burning is the oldest and a cheap, effective land clearing technique used by thousands of farmers. Therefore, forest and land burning must be abolished. In Central Kalimantan, for example, several regulations that permit forest and land burning have been revoked. The people were in turn worried and assumed that farming was entirely disallowed.

As the Coordinator of Prevention and Early Fire Detection of Manggala Agni in Kuala Kapuas, Central Kalimantan, Sumarjito, feels challenged to develop a land clearing technique without fire (Pembukaan Lahan Tanpa Bakar or PLTB). *“Prohibiting will not solve the problem because farmers also need to make living. Therefore, we have to find a solution in which farmers no longer need to burn to clear lands,”* explained Sumarjito when being visited in his house in Kuala Kapuas, Friday (12/8/16).

In light of that, Sumarjito bought a six-hectare land in Tahai Village and clears it without fire. The use of excavator is also avoided. Instead, Sumarjito uses a manual technique of hoeing. Based on his experience for decades, excavator digs soil too deeply and makes it too acidic. Consequently, paddies will not grow. Besides, using excavator is costly: IDR 20,000,000 per hectare. Clearing a land with excavator will turn the soil intolerably acidic for seeds to grow. Not to mention, plant leavings often still remain and it will require more money to completely clear the land.

Sumarjito prefers a manual way to clear his land even though it is more expensive than using excavators. Approximately, manually clearing land costs IDR 25,000,000 per hectare. The cost is high because the land needs to be plowed 2-3 times to make the soil at and dense and each plowing costs IDR 1,440,000 per hectare. “Based on my experience, if peatland is dug its acid will surface. Paddies will not grow. So I prefer the manual way. Trees are pulled out and the soil is flattened. After being flattened, we plow the soil,” said Sumarjito.

Sumarjito realizes that manually clearing lands without fire is time-consuming, more costly and slightly more complicated to execute. Moreover, many people find it impractical. Even Sumarjito himself still cannot grow paddy on his land. He can only plant pineapples and oranges. He hopes that his land can function as a plant laboratory in the future.

Sumarjito can be considered brave for his choice to experiment. He chooses to continue because of his strong will and his years of experience. He is convinced that the best of people are those helpful to others. He believes that if we are too selfish, there will never be innovation in management of peatland. Even though he has not made profit yet, he does not plan to stop in order to find a solution for forest and land fires that occur annually.

“If we are talking about loss, of course I’m experiencing losses. I have to pay for the plowing. But all of this are based on my personal initiative in hope that someday it will be successful. So farmers can make huge gains even though their lands are small. That means farmers’ lands can be optimized and productive. Unproductive lands will grow weeds and are prone to fire,” he explained.

His determination to develop a land clearing technique without fire is not surprising considering his profession as a forefront fire fighter. His experiences in fire fighting strongly convince him of how harmful and widespread the damages of forest and land fires are. In addition to disturbing human activities, forest and land fires will also adversely affect the quality of water. When forest or land fire happens, its ashes will fall down to rivers and eventually pollute the water. The water will inflame your skin if used for washing your face, let alone for cooking or bathing. Even the fishes are dying.

In fact, before extensively developed, the concept of Land Clearing Without Fire has been successfully implemented at local office where Sumarjito works. In a 1.5-hectare land, Sumarjito started a project named Fruit, Fish and Vegetables (Buah, Ikan dan Sayur / BIS). The once swamp is now planted with vegetables and orange trees. A 400-meter jogging track is built around the planted land. He also built a fishpond. At first, many were doubtful. But he believes that plantation soil is similar to those in pots.



“The soil has to be properly taken care of with good synthetic or natural fertilizers to make it fertile. Firstly, we use natural fertilizers to plant corn. Once the soil has been properly mixed with the fertilizers, then the soil is fertile enough and started to be planted with orange trees,” he said.

Sumarjito is a son of 1962 transmigrant parents and was born and raised in Kalimantan. He finished an electrician program in a vocational school, STM Negeri Palangkaraya, in 1983. He continued to pursue higher education in Universitas Terbuka Palangkaraya, but unfortunately did not finish it. As a person who has been living in peatland area, Sumarjito does not deny that burning land generates fertile soil. But he thinks that after being burned the land will still need fertilizers and the cost is roughly the same.

“Even when we choose to burn the land, farmers will still have to pay for cutting down the trees, burning them, and the plantation. For example, ten people are required to cut down trees in a hectare of land. We also have to pay people who burn the land. If the burning costs IDR 25,000 per worker per hectare per day, we need to spend at least IDR 500,000 in total. The money spent to extinguish the fire could have been spent for other things,” he said.

“Lands cleared without fire can also be planted with paddy, pineapple and orange trees. While growing pineapple, we can also plant other things which take a long time to grow such as rubber. Profit wise, planting pineapple and orange are the most lucrative. A hectare of paddy can generate profit up to IDR 6,000,000. In comparison, 17 meter of land can be planted with 600 pineapple trees. Each seed only costs IDR 800. And the planting costs IDR 100,000. The maintenance is also relatively cheap. Pineapple can be sold at the cheapest IDR 3,500 each. Marketing this commodity is also hassle-free. Sometimes people plant on too many land to dominate. After finishes, the land turns back into thickets. It is better to stick to one land. Will they be able to buy a tractor? Of course they can,” he explained.

According to Sumarjito, if farmers continue to burn lands, peatlands will disappear. Peatland stores a great amount of carbon. Once being burned, the ground level will decline. It will take 50 years to fully recover the damaged peatland. He hopes, in the future, Indonesia will be safe from the danger of forest and land fires while being able to improve its economy because of the presence of alternatives to burning for land clearing.

“Upon retirement, I am going to focus on developing fire-free land clearing technique. If it is successful, I will promote it to others. What is important now is to prove it. So far, there has been a positive feedback from the Regional Government of Pulau Pisang Regency who is also interested in developing PLTB. I hope it will be successful and anyone can implement PLTB that no one has to burn lands anymore,” he added.



Sumarjito, Coordinator of the Prevention and Early Fire Detection of Manggala Agni in Kuala Kapuas, Central Kalimantan

# GRANTS FUND

LESTARI employs a Grants under Contract (GUC) program that supports project objectives, leverages funding from other non-USG resources, and builds the capacity of local partners. The full procedure for the selection of grantees is detailed in the LESTARI Grants Management Plan, approved on November 12, 2015 by USAID CO, after having been approved previously by COR.

## Year 1 Progress

### **G-001 Fire Impact Videos in Katingan-Kahayan Landscape – Completed**

In December 2015, LESTARI provided a small support of IDR 242,174,400 to Save Our Borneo (SOB), an NGO based in Palangkaraya, to complete production of 5 short videos that focus on fire and haze impacts in Central Kalimantan, especially during the 2015 fire season. SOB contributed IDR 13,320,000 to this initiative.

These videos were used strategically by the Communications Team as part of LESTARI communications and advocacy efforts in the landscapes and nationally. They feature local residents of Central Kalimantan impacted by the haze, experts and government representatives, as well as data from the fire impact study conducted by LESTARI. The titles of the videos can be found in the Communications section of this AR and are available for viewing via the LESTARI website and YouTube channel. This first LESTARI grant project was successfully completed in March 2016.

### **G-002 Orangutan Conservation in Western Leuser Bufferzone – Under implementation**

In March 2016, LESTARI committed support of IDR 1,999,750,950 to Yayasan Orangutan Sumatera Lestari-Orangutan Information Centre (YOSL-OIC) in implementing a program entitled Community-led Conservation of Orangutan Habitat in the Kluet Protected Area, South Aceh. YOSL-OIC, an NGO based in Medan, North Sumatra, also contributed IDR 120,400,000 to this program. The implementation is expected to conclude in mid-November 2017.

The main activities of the project include: (1) the development of community-based forest management through the establishment of a Community Forestry (HKm) scheme in two villages in Kluet and (2) the establishment of a Human Wildlife Conflict Mitigation Task Force Group (HWCMTFG) and Human Orangutan Conflict Response Unit (HOCRU), which will be involved in conflict mitigation in agricultural areas prone to crop-raiding by orangutans. This project is expected to contribute the following results to LESTARI's work in the Leuser Landscape:

- 61,000 hectares of biologically significant and/or natural resource areas under improved management
- Four public policies addressing climate change and/or biodiversity conservation
- 10 community champions engaged in advocacy interventions
- 1500 people reached by LESTARI communication programs to improve awareness and understanding of LEDS and biodiversity conservation
- Four co-management agreements signed that secure community rights and benefits
- 300 people received USG supported training in natural resources management and/or biodiversity conservation
- 300 people received livelihood co-benefits (monetary or non-monetary)

YOSL-OIC has successfully facilitated the establishment of two forest farmer groups and conducted training sessions on community forest management and organizational management as part of preparing the communities in Gampong Lawe Melang and Gampong Koto to obtain Community Forest license (HKm). OIC has also strategically built good collaboration with BPSKL (Badan Perhutanan Sosial dan Kemitraan Lingkungan) Wilayah Sumatera, a representative unit from the Ministry of Environment and Forestry on social forestry. Moreover, work in human-orangutan conflict prevention and mitigation is well under way with the successful establishment of Aceh Selatan Human-Orangutan Conflict Response Unit. While working with KPH 6 and local communities in laying the foundation for their conservation work, the unit actively supports BKSDA Aceh in enforcing the regulations, as well as conducts monitoring and conflict mitigation in the villages in Aceh Selatan.

For the next quarter, YOSL-OIC will focus on preparing the communities and performing participatory mapping exercises to determine the areas to be proposed for HKm allocation.

### **G-003 Orangutan conservation in Bukit Baka Bukit Raya National Park – Under Implementation**

In August 2016, LESTARI committed to support Borneo Orangutan Survival Foundation (BOSF) to implement the project entitled Borneo Orangutan (*Pongo pygmaeus*) Conservation in Bukit Baka Bukit Raya National Park for a period of 24 months. The total value of the commitment is IDR 2,999,053,694, with BOSF contributing another IDR 3,801,179,530 to the project. BOSF is a well-established NGO based in Bogor that focuses on orangutan conservation.

The grant activity is designed to support LESTARI objectives and targeted outcomes in the Katingan-Kahayan Landscape, particularly Bukit Baka Bukit Raya (BBBR) National Park through reintroduction of ex-captive Borneo orangutans. BOSF has identified that Blocks C and D of the national park are particularly suitable for orangutan reintroduction in the short to medium term. To ensure their protection, BOSF involves communities and private sector companies in mitigating human-orangutan conflicts and strengthens the capacity of BBBR NP staff. In addition to releasing 100 orangutans to the BBBR NP, the project is expected to contribute to LESTARI indicators as listed below:

- 116,000 hectares of biological significance and/or natural resources under improved natural resource management as a result of USG assistance
- 10 local champions engaged in advocacy interventions
- 250 persons (man and woman) reached by LESTARI communication programs to improve awareness and understanding of LEDS and biodiversity conservation
- 125 people receiving USG supported training in natural resources management and/or biodiversity conservation
- 36,500 USD/year amount of investment mobilized (in USD), from public and private sources for climate change as a result of USG assistance
- 1 private sector firm that have improved management practices as a result of USG assistance
- 1 new USG-supported public-private partnerships (PPPs) formed

Shortly after the grant signing, BOSF reintroduced 10 orangutans. The reintroduction received good support from the national park, as well as relevant local and national government offices.

### **G-004 Co-management and Livelihoods in South Aceh – submitted for USAID approval**

A request for approval has been submitted to USAID for LESTARI to support Forum Pala Aceh (Forpala) to implement its program entitled Nutmeg Ecosystem Protection through Innovation of *Pala Sambutan* and Organic Nutmeg and Improved Market Access for Nutmeg and its Derivative Products. It is expected to be conducted for a period of 21 months. The total value of this grant will not be more than USD 150,000 at the prevailing exchange rate, and Forpala will provide cost share.

This grant activity is designed to support collaborative management in Aceh Selatan between the community and KPH 6 to improve deforested protected areas and improvement of nutmeg products and market access. This is one of the grants coming out of the RFA-004 on co-management and livelihoods. The project, which builds on the work of Forpala using the support from IFACS, is expected to contribute to LESTARI indicators of at least:

- 1,000 hectares of biological significance and/or natural resources under improved natural resources management as a result of USG assistance
- 7 community champions engaged in advocacy interventions
- 1 co-management agreement signed that secured community rights and benefits
- 600 people receiving USG supported training in natural resources management and/or biodiversity conservation
- 600 people receiving livelihood co-benefits (monetary or non-monetary)
- 2 new USG-supported public-private partnerships (PPPs) formed

### **13 applications from RFA-004 under pre-award stage**

Significant resources in quarters 3 and 4 were spent in the preparation of and selection process for RFA-004, which was approved by USAID on April 29, 2016. RFA-004 is titled Collaborative Management and Sustainable Livelihood Initiatives, and made available in all LESTARI landscapes. Funds were made available to support organizations that focus on collaborative management and sustainable land use practices, combined with development of sustainable livelihood initiatives. The activities under each approved grant project are expected to support the achievement of the following LESTARI targets:

- a minimum of 5 community champions will be identified during the project implementation
- at least 1 co-management agreement is signed and implemented under the project implementation for Track 1 (comanagement focus)
- at least 1 community conservation/sustainable land use agreement is signed and implemented under the project implementation for Track 2 (sustainable land use practice focus)
- a minimum of 500 people will receive USG-supported training in natural resources management and/or biodiversity conservation by the end of the project implementation
- the proposed project should be able to benefit at least a minimum of 500 households in the targeted community (monetary or non-monetary)
- minimum 1000 hectares under improved management as the result of the project activity

To announce the upcoming RFA and increase the likelihood of receiving quality applications from organisations, pre-RFA workshops were conducted in Banda Aceh, Palangka Raya, Jayapura and Timika in April 2016, with a total attendance of 119 organizations. LESTARI received 106 applications from all over Indonesia (54 applications from Aceh, 31 applications from Central Kalimantan and 21 from Papua). 35 of them coming from consortiums that include national and local organizations. 95 applications were eventually reviewed by the

Review and Evaluation Committee for RFA-004 that comprised of evaluators from the landscape and from Jakarta.

The evaluation process provided a total of 28 applications who received scores above 60, thus available for consideration for receiving the grants. LESTARI is still conducting clarifications and pre-award surveys to 13 organizations. The objective of the pre-award phase is to verify the fit of the proposed activities with LESTARI's work in the landscape, determine the ability of the organizations to undertake the activities and manage the grant funds, as well as strengthen the proposals to increase the likelihood of success and synergy with LESTARI's own work. Those applications that do not meet the requirements will not progress to the grant signing phase, and will be replaced by other potential applications.

## Challenges and Opportunities

- There was a sense of unease among the landscape teams regarding working with local organizations/grantees, originating from some of the previous IFACS experience. Some of the causes relate to the lack of understanding on the role of different teams in the Grants cycle. Capacity building for landscape staff is a continuing process and a Short Guide has been developed to explain the roles and responsibilities throughout the Grant Cycle.
- Organizations vary in their ability to articulate their plan in a proposal. To improve the quality of proposals, LESTARI organized pre-RFA workshops in the landscapes prior to the release of RFA-004. While for RFA-04 Kalteng submitted the highest percentage of applications that were higher than the required minimum score, a high proportion of applications for Papua did not qualify for further consideration. There appears to be a need for capacity building for local organisations in Papua to enable them to convey their program that could be supported by LESTARI.
- There is a variety of experience in the organizations on co-management issues. Some are quite experienced, while others bring experience in community facilitation and livelihood development to the table. Allowing for a sharing of experiences and discussions among the grantees and between the grantees and LESTARI landscape teams would contribute to higher understanding and increased synergy.

## Priority Activities for Year 2

- With the preaward stage for most of the grant proposals continuing in Q4, it is expected that Q1 in Year 2 will see the signing of all the grants from RFA-004.
- To strengthen the grantees' work on collaborative management (including social forestry), gender integration as well as improving their capacity in managing the grant funds, LESTARI plans to hold grantee workshops in Aceh and Kalteng in Q1, as well as distributing a Grantee Handbook for their reference in managing the grants.
- In Q2 and Q3, it is expected that a few RFAs will be developed and procured, in line with LESTARI's approaches.
- When releasing an RFA in Papua, LESTARI will hold a more detailed workshop to assist local organizations in developing good proposals.
- In Q4, where most of the signed grants are midway through their implementation phase, LESTARI will perform midterm evaluation to some of the grant projects to get lessons learned and improve on the way LESTARI manages its grant program.



# NATIONAL INITIATIVES

## Year 1 Progress

LESTARI actively engages in various initiatives at the local level to make stronger linkage between activities in landscapes with the national levels, particularly related to various issues in Conservation Co-Management (TT 2) and Forest and Land Use Governance (TT1). This includes showcasing best practices and success stories from the landscapes to be scaled up at the national level. It also involves informing challenges in implementing particular policy actions in the landscape, hence contributing to policy improvement at the national level.

Highlights of the notable national-level initiatives carried out by the LESTARI team within Year 1 are listed below:

- Continuous coordination with KSDAE and other relevant MoEF agencies to support the improvement of protected area management.
- Continued engagement in the METT national working group to streamline nation-wide adoption of METT to improve protected area management effectiveness across Indonesia. This was done by engaging in routine discussions with the national working group and supporting several initiatives such as METT facilitators training. This work will continue in Year 2.
- Active participation in SMART working group at the national level to promote nation-wide adoption of SMART patrol to improve CA protection. In the second year, the focus will bring lesson learns and best practices from the landscapes level to national level to stimulate its adoption on other CAs across Indonesia
- Support for PIKA of DG KSDAE for integration of zonation in conservation areas under LESTARI into One Map policy. This work will continue in the second year.
- Continued advocacy for enabling policies for co-management, particularly for social forestry policies to allow communities to acquire secure access to forests. LESTARI actively engaged in a social forestry working group that provides technical inputs to Gol to foster the achievement of the 12.7 million hectares social forestry target. In addition, LESTARI fostered the progress of some social forestry permits submitted by local partners in the landscapes by following through on the permit applications to ensure that they receive a timely response from the relevant agencies.
- Once USAID BIJAK began implementation in 2016, LESTARI offered the new project ideas on national policy reform that would also impact LESTARI landscape management. The following categories of policy reform were shared with BIJAK for their attention to national policies with major consequences for the sustainability of LESTARI landscapes:
  1. *Conservation Law reform including insufficiently participatory zonation processes* for conservation areas, national parks, nature reserves, and wildlife sanctuaries. The need for detailed spatial planning of rural areas especially village areas as prescribed by law. Failure to mandate adequate zonation harmonization between conservation areas, FMUs and natural resource licenses (forestry, agriculture, mines) inviting divisive intersectoral disputes.



2. *Persistent sectoral resistance for dynamic transparency and participation for natural resource licensing processes* as well as insufficient coordination between Village – District – Province National levels.
  3. *Weaknesses of institutional arrangements for FMUs* related to their authority, funding, decision-making and revenue use as well as effective M&E from higher levels of administration. Overly large and spread out KPH Units raising management challenges. Mismatches between KPH and KHG areas and their inter-institutional arrangements.
  4. *Over-regulatory & bureaucratic obstacles to community forestry licensing* undermining 12.7 million hectare goal under present regulations. Nonetheless, any de-bureaucratization and deregulation must not be at expense of due diligence for licensing and implementation evaluation.
  5. *Undervaluation of renewal natural resource values.* E.g., the export bans on semi-finished rattan lowering forestgate prices and therefore accelerating conversion to oil palm / cocoa resulting in biodiversity reduction and GHG increases as well as on logs and sawn timber undervaluing natural timber resources resulting in “sunset” HPH industry and abandoned forests inviting small-scale illegal loggers. Overly prescriptive and high-cost forest management regulations that are input/output rather than outcome-based do not encourage efficiency and effectiveness.
- The LESTARI Knowledge Management team was active in raising national-level awareness via article writing for the most widely distributed newspapers. Four articles were published in Kompas and The Jakarta Post: 1) *Reviving Peatlands Needs Strict Control*; 2) *Rattan and Climate Change Mitigation*; 3) *Reducing Environmental Damage, Poverty*; and 4) *Social Forestry: Where are we now?*
  - LESTARI organized a side workshop and exhibition during Festival Perhutanan Sosial held by MoEF in Jakarta in September 2016. The LESTARI team received an award for the best exhibition booth. The side workshop on social forestry and community-based peatland restoration held by LESTARI invited local champions. The event drew around 120 participants and generated productive discussions and recommendations to closely align social forestry and community-based peatland restoration.



**Figure 3. Johanis Tuanban giving an Asmat cultural artifact to Minister of KLHK at Festival PeSoNa, September 2016**

## Challenges And Opportunities

- With the dismantling of the National REDD+ Agency, there is a clear lack of national government leadership on MRV for REDD+ and other climate change mitigation efforts from the forest and land use sectors. Without this, provinces and other sub-national entities face a difficult time engaging in any tangible climate change mitigation contributions and/or market opportunities. This also represents an ongoing constraint for LESTARI's climate change mitigation efforts at the landscape level.
- BAPPENAS has requested LESTARI support in co-funding a national workshop on KPH management

## Priority Activities for Year 2

- Support the development of guideline book to evaluate METT to be used by CAs in Indonesia.
- Cross-learning / study visit for community forestry for local champions in LESTARI landscape.
- Influence policy making for rationalization of spatial planning with ATR/BPN and KLHK (work with BIJAK).
- MSFs in collaboration with DKN, KLHK, Kemendagri to strengthen citizens' voice to influence policy making (work with BIJAK).
- National-level awareness raising on key issues through quarterly themes: Sustainable Landscapes, Improved Forest Management, Private Sector Role in Climate Change Mitigation, LEDS.
- Continued coordination with Social Forestry DG to align GoI social forestry targets with LESTARI conservation co-management objectives and foster a speedier process for social forestry applications from communities in LESTARI landscapes.
- Continued coordination with relevant DG to support institutional and capacity building for FMUs.
- Recruitment of STTA gender specialist to carry out several capacity building activities particularly targeted for the grantee of RFA-004 to ensure gender is integrated in all phases of project implementation.
- National workshop on KPH, organized by BAPENAS and co-funded by USAID LESTARI, GIZ and UKCCU.
- Capacity building for local partners for improved gender integration.
- Promote nation-wide adoption of SMART by organizing a national workshop in Jakarta with relevant government institutions to disseminate the lessons learned from SMART Patrol adoption in all CAs under LESTARI.

# GENDER INTEGRATION

In the first year, LESTARI completed a gender assessment and developed a gender strategy in consultation with field teams in all landscapes. In developing the gender assessment, the team carried out a field assessment to gather gender and social data in Aceh, Papua, and Central Kalimantan landscapes. In conjunction with this process, LESTARI carried out introductory trainings for gender integrated planning to improve the skills of selected LESTARI team members and local partners (government, NGO, and university staff members) on gender analysis and methodology and develop gender action plans. The gender assessment and trainings were carried out in the period from March 13 to April 4, 2016. Altogether, 4 gender-integrated training workshops were conducted with a total of 111 participants attending from Papua, Aceh, and Central Kalimantan landscapes resulting in the development of 6 Gender-integrated Action Plans. The action plans have been an integral part of the LESTARI gender strategy. The gender strategy is being used by the team to guide gender mainstreaming in overall project planning and implementation.

A brief introductory session on gender integration training was also held in conjunction with the pre-RFA workshop for RFA-004, engaging potential grantees in Banda Aceh, Palangkaraya, Jayapura, and Mimika. During the selection of potential grantees, points for gender integration were significantly integrated in the evaluation processes (12 out of 100 points) to ensure that selected grantees have a concrete gender strategy and ensure gender is integrated into overall project planning and implementation. In the second year, gender integrated planning trainings will be held engaging all RFA-004 grantees in all landscapes.

Moreover, in the second year, LESTARI will implement capacity building for local partners to enable them to integrate gender in their respective programs and monitor the progress in terms of women empowerment and capacity building for women champions to ensure their meaningful participation in decision making processes, especially with regards to forestry, biodiversity conservation, and climate change issues. LESTARI will also implement more concerted efforts on gender through holding thematic discussions with MSFs and produce relevant knowledge products and communication materials for the campaign.



**Figure 4. Gender Field Assessment in Central Kalimantan**



# LANDSCAPE INITIATIVES

## Leuser Landscape



## Landscape Profile

According to the LBA, projected land transitions in the Leuser Landscape are dominated by primary and secondary dryland forest converted for agriculture, brush, agroforestry, mixed agriculture, and some transmigration projects. Such transitions are responsible for the vast majority of projected emissions. Moreover, the majority of these emissions are projected to occur within Leuser National Park and Singkil Wildlife Reserve and other use zones (APL). Nearly half of all land-based emissions in the Leuser Landscape occur on peatlands that are restricted to the areas along the coast.

Principle interrelated initiatives in Year 1 in order to relieve pressure on forest land resources and reduce GHG emissions included watershed management to safeguard water resources and mitigate natural disasters through sustainable livelihoods and protected forest management (including peatlands). Detailed activities are indicated on the landscape map on the previous page.

## Year 1 Progress

During Year 1, several impactful and on-the-ground activities were launched in the Leuser Landscape. Due to the importance of the Leuser Ecosystem with regards to biodiversity values, deforestation threats, and accompanying GHG emissions, particular attention was given to this landscape. This is evidenced by a deep engagement of LESTARI across all three technical themes.

In support for awareness and advocacy efforts, journalist trainings were held in Aceh that aimed to raise the awareness and capacity of local and national media to report on issues faced by local communities in the Leuser Landscape with regards to climate change, forestry, and biodiversity conservation. Attendees engaged with LESTARI partners such as KPH V, MSF, and the Elephant Conservation Unit to deepen their understanding. In addition to contributing to the long-term process of building media and journalism capacity on LESTARI issues, in the more immediate term, the event resulted in the publication of 27 relevant articles. Concurrently, a videographer and social media specialist were mobilized to create compelling visualizations of the value landscape while raising awareness and understanding of the importance of conserving Leuser's natural capital with a broad array of local stakeholders.

On the spatial planning front, responding to the request of Aceh Barat Daya (Abdya) District and the signing of a collaboration MoU with the Bupati, LESTARI prepared a strategy for the *Rencana Detail Tata Ruang* (RDTR) pilot model in the Susoh river basin. BAPPEDA Abdya understood that the approach must be fully embedded and not treated as an external consultancy activity. It prepared a draft *SK Bupati* for a Tim RDTR to this effect. The strategy includes the integration of top-down GIS analysis and bottom-up village land use, selecting as fit-to-purpose (*tepat sasaran*) the kind of land use zonation achieved during village boundary-setting under IFACS in the western part of the Katingan-Kahayan Landscape as well as RPJMD's Field School approach's land use mapping of livelihoods and conservation areas. RDTR takes spatial planning to the local level, facilitating local-community and private sector sense of ownership. At the 1:5,000 scale, the delineation and functional oddities of *RTRWK* can be resolved and insights gained into zoning forest management units (*KPH*) 5 and 6 as well as Leuser National Park currently undergoing a review of its outdated zonation. The end point of this work will be the identification of *Kawasan Perdesaan* and *Peraturan Zonasi*. Not only is zonation within the existing land use functions anticipated (e.g., subdividing Protection Forest Areas into *Hutan Kebun* and *Hutan Alam* that will strengthen local interest in maintaining ecological functions), but also recommendations for re-alignment of forestry function boundaries that were originally mis-drawn at lower

resolutions and as such make little sense to both local land users and state forestry agencies.

With regards to public discourse for policy reform, LESTARI supported public consultations for a New Environmental Funding Policy in Aceh Tenggara that was informed by the ex-IFACS KLHS. Following technical meetings, the Bupati created a technical team to formulate a Bupati's decree in Aceh Tenggara to enable the use of the village fund / Dana Desa for environmental interventions in support of the Leuser Landscape. The team includes MSF members who will support preparations for public consultation about the decree. The technical meeting explicitly drew from the IFACS SEA-LEDS for justification and direction, specifically, 39 issues from pages 51-78 of the SEA. Public discourse for New Environmental Policy in Aceh Selatan was also informed by KLHS. A technical team consisting of MSF members began preparations for a draft Qanun / Perda to be submitted to DPRD for Environmental Management in Aceh Selatan with emphasis on the Leuser Landscape. Technical considerations explicitly drew from the IFACS SEA-LEDS for justification and direction.

In support for co-management with priority villages, LESTARI implemented a legal formal planning approach, RPJMDes, as an entry point to have better integrated development planning as well as ensuring sustainability due to utilizing a government pipeline. This was started with 3 villages (Gulo/Aceh Tenggara, Sangir/Gayo Lues and Lawe Cimanok/Aceh Selatan) that later on will be scaled up to several neighboring villages, hence providing a solid base for the sub-landscape approach. The team will facilitate the RPJMDes revision that integrates environmental and water protection vision.

The LESTARI team also carried out an initial assessment on community forestry (*Hutan Kemasyarakatan*) that was conducted in the Manggamat area. In the mid-1990s, 13 villages in the area had prepared *mukim*-based forest management over the area in and around their villages. The *adat* leaders have been enthusiastic to follow this up by getting a permit to manage the area through the social forestry initiative. The assessment team found a complicated political situation in the Manggamat area and suggested LESTARI to first focus on community facilitation processes in two villages that are currently facilitated by a LESTARI grantee, Orangutan Information Center (OIC). OIC has completed socio-economic surveys in 2 villages (Lawe Melang and Koto Village) in Kluet Sub-district, Aceh Selatan in preparation for the implementation of the community forestry initiative.

Landscape	No of pilot villages	Estimated Ha	Result Accomplished
Leuser	3 villages with different typology	1,380 Ha	<ul style="list-style-type: none"> <li>Village management drafts (RPJMDes) that integrate co-management and environmental vision finalized</li> <li>Village zonation drafts</li> </ul>
	Menggamat cluster (13 villages)	13,129 Ha	<ul style="list-style-type: none"> <li>Initial assessment on the current socio-economic situation</li> <li>Socio economic survey completed by LESTARI grantee (OIC) – 2 villages</li> </ul>

LESTARI acknowledges that supporting Forest Management Unit (FMU) operationalization becomes increasingly essential since the management of forest located outside the conservation area will be managed by FMUs. Starting in the third quarter of this year, LESTARI began to support 2 FMUs in Leuser Landscape to improve their capacity to manage forest area and adopt a collaborative approach. LESTARI supported them in carrying out public consultations to garner public inputs for their long term management



plans at the district level. Engagement with FMUs revealed that more comprehensive support is needed to assist institutional and capacity building, hence underscoring LESTARI's priority for the second year to do so.

For improved CA management, LESTARI implemented SMART Patrols as a tool to improve the effectiveness of habitat protection and monitoring that enable CA managers to provide more timely responses. The SMART Patrols strategy aims to optimize park management resources to target areas under greatest threat from wildlife poaching, logging, and other illegal activities. LESTARI provided training and rolled out SMART Patrols in Leuser National Park (4 teams) and Rawa Singkil Wildlife Reserve (3 teams), which cover Aceh Selatan, Aceh Tenggara, Gayo Lues Districts. The patrol teams subsequently increased their level of effort by broadening their patrol operation and lengthening the patrol duration. Currently, Leuser National Park is developing a strategy to improve SMART implementation that engages all national park partners and the police department. The table below summarizes key information and findings of the patrol teams.

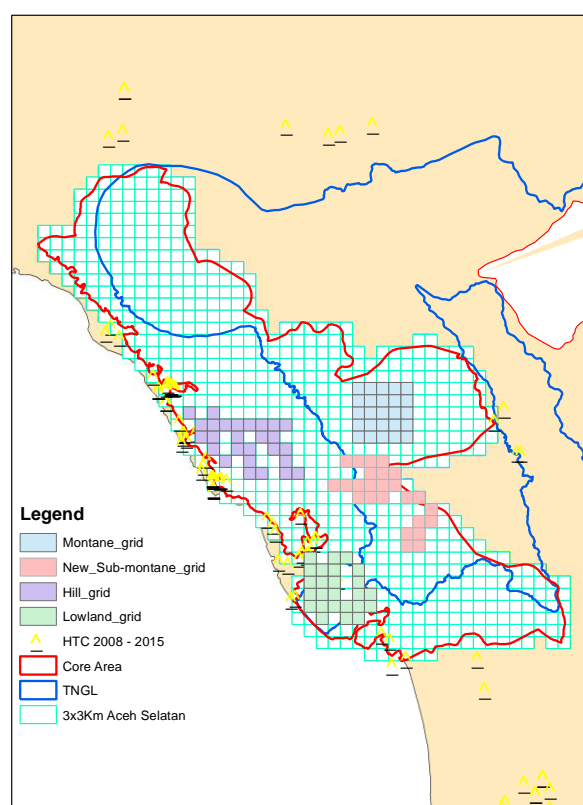
Conservation Area	No teams	Patrol times	Duration	Days Y1	Patrol Distance Y1	Main Findings
Leuser National Park	4	43	Sept 2015-Aug 2016	319	1442.7	The team found 130 incidents of illegal activities in a year. Wildlife hunting was also observed in 39 locations.
Rawa Singkil Wildlife Reserve	3	26	Jan 2015-Aug 2016	154	1143.9	The team observed high rate of illegal logging incident that reached 239 incidents/month, although the trend slightly decreased with the increasing patrol intensity. Illegal hunting incidents, however, remain. The team also found encroachment in 110 points of observations. The team also spotted an average of 26 individual Orangutans/month.

As part of the SMART patrolling strategy, a Wildlife Response Unit (WRU) was operationalized for Leuser Landscape. The purpose of the WRU is to collect information on recent human-wildlife conflict and to raise awareness regarding its prevention. The WRU has also initiated some activities to mitigate human-animal conflicts, particularly in Gayo Lues and Aceh, which include village patrols, improving communities' awareness on wildlife conservation, and facilitating capacity building for communities in livestock management using cattle pens (particularly to mitigate human-tiger conflicts). The WRU team established two teams for community-based human-wildlife conflict mitigation in Teris and Lesten Villages, Gayo Lues District to enable communities to independently mitigate conflicts between human and wildlife (e.g., elephant and Sumatran tiger). In addition, WRU monitored the pattern of human-wildlife conflicts by setting camera traps in four spots in Lawe Sambekan village (Aceh Tenggara District). In the second year, these efforts will be implemented in other areas in Leuser and Katingan-Kahayan Landscapes.

LESTARI supported efforts to reduce wildlife trafficking through operationalizing the Wildlife Crime Unit (WCU) in Leuser Landscape. The WCU continued to gather information about wildlife crimes and methods to reduce human-wildlife conflict in the landscape. During the course of the first year, WCU contributed to the capture of several illegal wildlife traffickers. These cases are being processed in court. The criminal evidence has also been secured by the police. One notable case involves illegal wildlife traffickers that tried to smuggle ivory and tiger skin. Two people are currently detained by the police as the case is processed in court. Another notable case involved 2 Tiger Skin Traffickers in Kutacane who were arrested by

police and officers from Leuser National Park. Both suspects have been sentenced to prison for 5 months and fined IDR 200 million.

LESTARI supports GoI targets for key species conservation through several initiatives in conservation areas under LESTARI Landscapes. In Leuser National Park, LESTARI continued efforts to monitor the distribution and density of key species in the National Park, in this case, Sumatran tiger (*Panthera tigris sumatrae*), rhinoceros (*Dicerorhinus sumatrensis*), and prey species of the Sumatran tiger. Better understanding of biological and ecological aspects of the key species will enable the park to devise and implement a better conservation strategy of the species. The LESTARI team established 2 teams to set camera traps. Thus far they have been able to place 104 cameras in 50 posts in cluster IV of Leuser Landscape. By the end of first year, two clusters of camera traps have been completed and the data analysis is currently underway.



**Figure 5. Location of biodiversity distribution and density survey area in Leuser Landscape**

Two grants were initiated specifically targeted for key species conservation. LESTARI Grantee, Yayasan Orangutan Sumatera Lestari-Orangutan Information Centre (YOSL-OIC), works to support collaborative Sumatran Orangutan conservation in western part of Leuser National Park. It has completed a survey of human-orangutan conflicts in another two villages (Kampung Sawah and Kampung Padang) and established a Human-Orangutan Conservation Response Unit. A new grant for Kalimantan Orangutan Conservation has been awarded for Borneo Orangutan Foundation (BOSF), which kicked off in the fourth quarter this year.

LESTARI, in close coordination with Ditjen PIKA (*Pemolaan dan Informasi Kawasan Konservasi Alam*), supports finalization of CAs zonation/blocking system and integration of the system into One Map Policy. In Year 1, LESTARI held a public consultation to review zonation plans of Gunung Leuser National Park. Similar work will be done in the second year in Rawa Singkil Wildlife Reserve to foster the completion of zonation plans in both locations.

Also in support for improved CA management, LESTARI continued to support the implementation of the METT tool to quantify and monitor management performance and optimize the use of resources to better protect the CA's natural assets. METT workshops were held for Rawa Singkil Wildlife Reserve and Leuser National Park. These workshops were aimed at disseminating the results of METT score assessment of each conservation area to increase the sense of ownership of the CA managers toward the result, hence generating their commitment to improve the METT score and develop an action plan to do so.

Conservation Area	METT Baseline	Main Activities Accomplished for Year 1
Gunung Leuser National Park	67%	<ul style="list-style-type: none"> <li>• METT score baseline established</li> <li>• METT workshop carried out to improve CA awareness and capacity to use METT to measure their management effectiveness</li> <li>• SMART Patrol trainings and roll out (4 teams)</li> <li>• Wildlife crime unit (WCU) operationalized (1 team)</li> <li>• Wildlife response unit (WRU) operationalized (1 team, 2 model villages)</li> <li>• Public consultation for zonation carried out</li> <li>• Collaborative Orangutan conservation through grant (OIC)</li> </ul>
Rawa Singkil Wildlife Reserve	55%	<ul style="list-style-type: none"> <li>• METT score baseline established</li> <li>• CA awareness and capacity to use METT to measure their management effectiveness improved through METT workshop</li> <li>• SMART Patrol training and roll out (3 teams)</li> <li>• WCU operationalized (1 unit)</li> </ul>

An assessment of market access, value chain, and local potential was conducted in the Leuser Landscape in order to support sustainable livelihoods and reduce encroachment pressures in high-risk areas. The identified villages are located in clusters that share key biogeographic features, such as a single watershed, in order to scale up LESTARI's impact. This assessment resulted in the identification of some high-potential local commodities to be further developed such as cacao, medicinal plants, wild honey, nutmeg, coffee, and palm sugar. These local commodities will be developed under public-private partnerships (PPPs) or green enterprise schemes. The LESTARI team identified early interest from an Indonesian artisanal food producer, Javara Indonesia (<http://www.javara.co.id/>) and a global fragrance company Givaudan (<https://www.givaudan.com/>) to collaborate with LESTARI in this endeavor.

Moving forward with the recommendation of the assessments in the Leuser Landscape, LESTARI initiated the first PPP for organic cacao. The objective of the PPP is to develop sustainable organic cacao while at the same time improve farmers' livelihoods by providing better prices, better market access, improved on/off-farm agricultural practices and support reducing deforestation and improving biodiversity conservation in the neighboring area, especially within the forest or buffer zone area. PT Kampung Kearifan Indonesia (Javara) has been engaged as the private partner for the PPP program. In addition to serving as the cacao buyer, Javara will also contribute in providing capacity building for the farmers and developing the process plant if the feedstock is sufficient. This PPP applies a sub-landscape (district level) approach by establishing ICS (Internal Control System) in each of the focus districts. ICS will be the central nerve of the cacao organic program where it will monitor and regulate the organic standardization and all other crucial requirements related to the organic cacao program, including the contributions towards reducing deforestation and biodiversity conservation. Initial activities such as socialization, certification workshop, and ICS training have been conducted at the village/grassroots level. At the moment, LESTARI, together with

the farmer groups, are establishing demo plots in each of the focus districts while in parallel supporting the farmers in establishing ICS.



**Figure 6. Socialization of organic cacao PPP in Aceh Selatan with support from local government (BKPP)**

The second PPP within the Leuser landscape in Aceh is currently under development. The local commodities to be supported are nutmeg (*pala*) and patchouli (*nilam*) in Gayo Lues and Aceh Selatan, with PT. Givaudan Indonesia (Givaudan) as potential private sector partner. Givaudan is a multinational corporation and global leader in flavors and fragrances. It operates in all major regions of the world with a strong presence in Indonesia. With more than 90 locations worldwide, 30 production sites, and over 9,500 employees, Givaudan provides access to improved markets for local farmers in the landscapes. Givaudan is also operating under strong policies in sustainable sourcing and sustainable innovation that goes hand in hand with LESTARI's goals. Currently, LESTARI is under intensive communication with PT. Givaudan to finalize the PPP agreement. Moreover, these activities will be closely integrated with the work under grant mechanism for nutmeg with local NGO FORPALA in Aceh Selatan. The LESTARI team will ensure that these activities are optimized and synergized in order to work efficiently while amplifying benefits.

Finally, LESTARI began to explore ecotourism-related initiatives within this first year in order to support sustainable financing models for conservation in the Leuser Landscape. The LESTARI team worked with landscape teams, local government, national park, community, and private sector stakeholders to undertake a participatory mapping of existing and potential ecotourism opportunities. Using baseline visitation and economic impact data, socioeconomic value, PPP prospects, and investment risks, a range of priority areas were identified, along with associated opportunities and challenges. These items are summarized in the table below.

Landscape and Site	Priority Area	Potential Opportunities and Challenges
Aceh Selatan and Aceh Barat Daya  Leuser Landscape	Truman Wildlife Corridor	Support the effective co-management of the Corridor through the development of an innovative ecotourism business model that will help fund the CRU and alternative community livelihoods. Support and permission will be needed from KPH IV.
	Singkil Wildlife Reserve	Singkil's proximity to Pulau Banyak, a growing international tourism destination is a key opportunity to unlock. BKSDA would like support in developing a masterplan to unlock this opportunity.
	Danau Laot Bangko	Gunung Leuser National Park is currently not issuing entry permits. IGE (community group) have designed a tour package for the lake, however it is priced too high to be marketable.
	Batu & Manggeng Beach Lhok Rukam & Tangan Gua Kalan Babah Lhung Krueng Baru Waterfalls (e.g. Tingal 7, Seunebok, Kuta bak etc) Babahrot Ecosystem Gosong Island	The districts have abundant undeveloped potential for ecotourism in the buffer zone to Gunung Leuser. There are a number of community ecotourism groups who require capacity building to enable them to succeed in unlocking this potential for the local market.
Gayo Lues  Leuser Landscape	Kedeh Agusen Pining Genteng Penosan Reko Hills Pantan Waca	The government is highly supportive and proactive in the development of ecotourism. There are extensive opportunities to develop agri-tourism and the local government has already allocated budget to develop Agusen as a destination. Major challenges include landslides and the need for local capacity building and a robust market-led district strategy.
Aceh Tenggara  Leuser Landscape	Ketambe	Community members have established the Ketambe Tourism Institute, modeled after Tangkahan in order to increase community benefits from ecotourism. Although Ketambe is already linked into the international tourism circuit, the product offering and market linkages will need to be strengthened to increase economic benefits.
	Mamas	



## Challenges and Opportunities

- SEA opportunity for Aceh Province's RPJMD 2017-2022 – At a meeting of Aceh donors, provincial government responded with interest about support for a spatially-based SEA similar to that for Kalteng that could be used for the RPJMD of the newly-elected governor in 2017.
- Demand-driven activities in line with LESTARI goals present enormous opportunities. E.g., Aceh Barat Daya's request for assistance to support its ongoing RDTR.
- Gayo Lues request for RDTR assistance – Having heard about LESTARI support for RDTR Abdya, PEMDA Gayo Lues requested similar assistance on the understanding that it would not proceed unless appropriately embedded in the spatial planning agency of BAPPEDA. Only once an embedded *modus operandi* is established for Abdya will it make sense to respond to such a request.
- LESTARI supported MSFs have begun to show greater capacity and engagement through their participation in KPH workshops, journalist trainings, public consultations, development of local regulations, and other key activities. MSFs are widely considered as important entities by major partners including Forestry Department, BKSDA, and BBTNGL.
- LESTARI has initiated a series of activities for supporting Buloh Semak Village in Aceh Selatan (Singkil region) in the sustainable production of forest honey. This commodity holds tremendous potential (estimated at 50,000 liters/year) as the target of green enterprise development. However, the exploitation of forest honey is closely related to some serious conflicts between the locals and authorities. The LESTARI team needs to move cautiously to avoid any further complications in the area since we are working with both parties.
- There are more 600 forest rangers (*Pamhut*) in KPH III, V, and VI as human resource assets to support the forestry sector in the Leuser Landscape, but many of the *Pamhut* still lack capacity such as navigation (GPS Mapping, data analysis), investigation and patrol procedure, community facilitation, and other knowledge.
- Zoning of Leuser National Park being developed by BBTNGL will encourage protection in the core area in a more integrated manner and with hopefully greater opportunities for community empowerment.
- SMART Patrol activities must continue in Leuser National Park and Singkil Wildlife Reserve considering the still high prevalence of crimes threatening the flora and fauna in these areas.
- LESTARI can support KPH V and VI to improve the RPJHP document through provision of technical assistance that will revise the content of the document based on input from experts and relevant stakeholders.
- The Aceh Government has issued *letter form* No. 522.12 / 2686-III, June 17, 2016 signed by the Head of the Aceh Provincial Forestry services and addressed to all holders of HGU / Plantation Business License (IUP) in Leuser Ecosystem. It states that all land clearing activities of oil palm plantations around the Leuser Ecosystem must be suspended, while waiting for release of the Government's policy (Inpes moratorium on the expansion of oil palm)

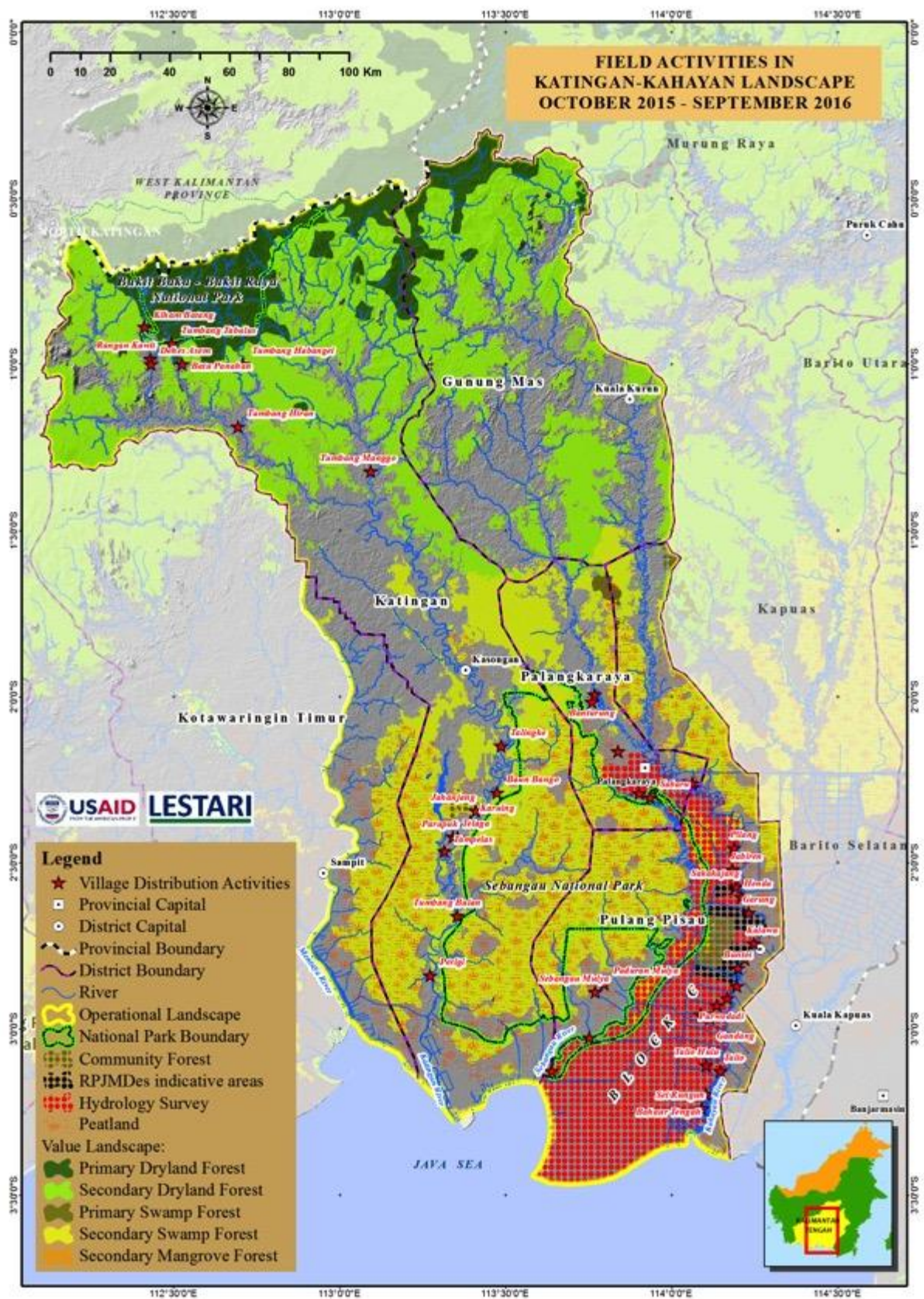


- For ecotourism, lack of government resources and market understanding for community-focused ecotourism development, coupled with the negative perception of Sharia law with international visitors, may hamper ecotourism development.

## Priority Activities in Aceh for Year 2

- Finalize and sign third PPP involving sustainable development of nutmeg and patchouli
- Support and participate in Gayo Lues' Tourism Board event, 10,001 Saman dance for Leuser conservation and ecotourism, using it as an entry point to raise awareness on key LESTARI issues
- Inform spatial rationalization of KPH, CA, and private sector license zonation (Abdya, KPH V and VI, and TNGL)
- Implementation of Field School for RPJMDs followed by the development of village zonation plan and co-management agreements with relevant government agencies
- Routine SMART patrols to be carried out in sites adjacent to Leuser National Park and in KPHK Rawa Singkil. WRU and WCU team will continue its efforts to reduce wildlife crimes and human-wildlife conflicts
- Participatory METT assessments in Leuser National Park and Singkil Wildlife Reserve
- Singkil action plan implementation
- Develop SEA document for Aceh Barat Daya RDTR
- MSF development in Aceh Barat Daya
- MSF discourse to transition to technical themes, with support from advocacy and communications to build understanding and buy-in
- Analyze RPJMD of Gayo Lues in line with SEA recommendations
- Finalize Qanun on environmental management and protection in Aceh Selatan
- Support formation of Civil Society Champions, strengthen journalist network, and support advocacy campaign implementation
- Explore and develop ecotourism business models for priority areas identified in Year 1 (Trumon Wildlife Corridor, Singkil Wildlife Reserve, Kedeh, Agusen and Ketambe)

## Katingan-Kahayan Landscape



## Landscape Profile

The Katingan-Kahayan Landscape in Central Kalimantan covers more than 4 million hectares in Katingan, Pulang Pisau, Gunung Mas Districts; a small part of Kotawaringin Timur; and Palangkaraya municipality. It includes both deep peatland of the ex-mega rice project and Sebangau National Park as well as mineral soils including Bukit Baka Bukit Raya National Park. The region's economy depends on forestry, agriculture, commodities, trade, services, and mining sectors. Much of the landscape is vulnerable to forest and peatland fires, illegal logging, forest degradation, and conversion for oil palm plantations. Such unsustainable land use management continues to release large emissions while also negatively impacting the health and livelihoods of local communities. Most significantly, land and forest fires in 2015, mostly in the peatlands, contributed to higher daily emissions than the whole of the European Union, resulted in IDR 221 trillion in damages, and sparked urgency at all levels of government to prevent this kind of disaster from happening again. Even without fire, the primary source of landscape GHG emissions are degraded peatlands, followed by the conversion of forest for agriculture. The primary interventions are therefore aimed at improved peatland management through various levels of intervention and regulatory reform to slow the rate of expansion of deforestation for plantations.

For the peat sub-landscape, LESTARI's overall vision is to reduce GHG emissions from peat degradation, deforestation, and fire through improved peatland management for sustainable livelihoods and conservation, and/or improved CA management. This is to be achieved through the following initiatives:

- Integrated Fire Management
- Integrated Water Management

For the mineral soil sub-landscape, LESTARI's overall vision is to reduce deforestation and improve biodiversity conservation through sustainable co-management, forest management, or CA management. This is to be achieved through the following initiatives:

- Improved sustainable livelihoods
- Rationalization of conversion by land-based private sector

## Year 1 Progress

Given the urgency of the 2015 forest and land fires in the Katingan-Kahayan Landscape with regards to health and livelihood impacts, economic losses, and skyrocketing GHG emissions and biodiversity loss, LESTARI prioritized activities in this landscape throughout Year 1. Activities were launched across all three technical themes, working with communities, local government, and the private sector in order to promote sustainable land use practices while improving local livelihoods. The locations of activities are detailed on the landscape map on the previous page.

Awareness and advocacy efforts were consistent and focused throughout Year 1 on communication outreach to both general audiences and key policymakers. A Forest and Land Fires Impact study was conducted to quantify and share the health and livelihood impacts of the fires on communities. In conjunction, a series of Fire Hero videos and Stories From the Field were produced and disseminated to showcase local stories and LESTARI Champions, many of whom gained significant notoriety through LESTARI support and promotion. For example, Minister of KLHK, Ibu Siti Nurbaya, specifically requested to view a short video produced by LESTARI about Pak Sumarjito. Ibu Siti subsequently met with Pak Sumarjito in to learn more about his background and the fire-free land use practices that he



actively promotes. This resulted in media coverage on Pak Sumarjito, further amplifying his story and the message of sustainable land use solutions to a broad audience.

With support from LESTARI partner Mongabay, social media channels were extremely active in raising awareness, particularly with regards to forest fire impacts to Orangutan and Orangutan habitat. Several posts went “viral,” as total outreach from June-September 2016 reached 262,605 individuals.

Also part of constituency building efforts, LESTARI team member Michigan State University (MSU) began exploring educational capacity development partnership opportunities aimed at the Katingan-Kahayan Landscape. After successful initial engagements, the LESTARI-MSU team finalized a 15-month work plan (July 2016 – September 2017) that will involve close collaboration with the University of Palangka Raya, Muhammadiyah University, and Bogor Agricultural University. Curriculum support will involve National Forest Monitoring System (NFMS), Forest Reference Emission Levels (FREL/REL), and Safeguard Information Systems (SIS).

LESTARI also utilized radio outlets to broadcast its messages widely and reach more remote audiences within this landscape. LESTARI worked with Kalaweit 99.1 FM to air a Public Service Announcement (PSA) 10 times per day for the period of August 8 to November 8, 2016. During the same period, LESTARI broadcast an hour-length weekly interactive dialogue. Radio Kalaweit is highly respected radio station in Central Kalimantan that focuses on environment education. Kalaweit also helped LESTARI to resonate messages through its social media platforms. Kalaweit currently has 5.225 followers on Twitter and 2.437 fans in Facebook. Their radio application has been downloaded by 2872 through Google Play.

LESTARI also worked with other radio stations in Palangkaraya, including Radio RRI Palangkaraya Pro 1 FM and Radio Handep Hapakat (H2) FM to implement a similar approach. Through this approach LESTARI may be able to target approximately 20,000 listeners in Central Kalimantan and with continued partnership, expects that its communication strategy will significantly influence public attitude and behavior.



**Figure 7. Kalaweit helps to resonate messages on conservation through its social media channel**

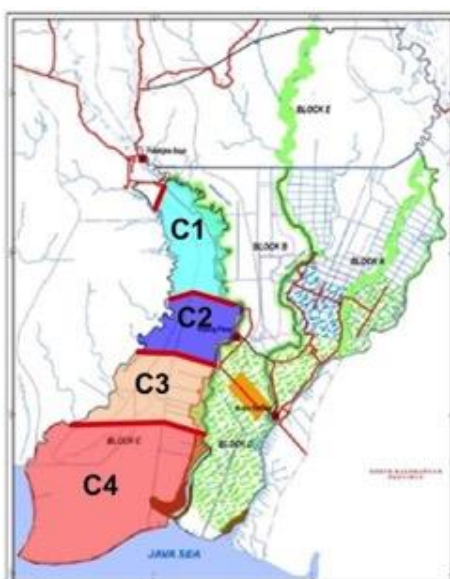
One of LESTARI's primary Year 1 achievements in this landscape was its support for the provincial-level SEA / KLHS for Central Kalimantan. This was a demand-driven initiative, responding to BAPPEDA's request to formulate a new SEA for the new Governor's RPJMD. It earned accolades from regional and national government for its timeliness and quality. Ex-IFACS SEA for Katingan, Palangka Raya, and Pulang Pisau were used as resources during preparation of the SEA. Two development scenarios were juxtaposed in the SEA, a base case business-as-usual economic development and an optimal land use and related

development that could reasonably be expected. The document concludes with concrete recommendations that focus on 6 program priorities (KRP) formulated in the RPJMD draft. Within each KRP, the SEA provides recommendations that directly relate to forest conservation. These include: the accelerating and strengthening the KPH in vulnerable areas based on ecology instead of administrative boundaries, terminating plantation licenses in HCV and peatland areas, accelerating social forestry licensing, enforcing Perda 5/2011 on Sustainable Plantation that regulates HCV for license holders, defining specific areas that will be reviewed on Perda 5/2015 to calculate possible impact to HCV/local community/custom areas, and settling land tenure within forest areas with IP4T (*Inventarisasi Peguasaan, Pemilikan, Penggunaan, dan Pemanfaatan Tanah*) mechanism. The SEA document will be part of Perda RPJMD and mainstreamed within Renstra of related SKPD in Year 2. Being an iterative process, the SEA managed to influence the crafters of the RPJMD to include explicit reference to LEDS and consequent action in the final economic development plan.

Related to this KLHS support with regards to natural resource licensing, the development of the web-based sustainability screening tool (SST) was focused where mis-application licensing has been most damaging and represents the highest risk of GHG emissions anywhere in LESTARI landscapes, namely, Pulang Pisau District. Stakeholder engagement with government agencies in Pulang Pisau and Central Kalimantan Province was formalized resulting in the sharing of important license and land use data, increasing the potential for effective public scrutiny. The web-based SST is now poised to assist with the village-level planning about integrated fire and land management, identification of fire-risk areas to assist with preparations for fire suppression, and determination of appropriate food-security areas. Further details regarding the SST team's progress can be found on the callout box at the end of this Katingan-Kahayan Landscape section.

Significant efforts within Year 1 were also directed towards directly supporting peatland restoration to mitigate the risk of fire and flood. In coordination with the Peatland Restoration Agency (BRG), LESTARI mobilized support for a rapid hydrological assessment in the peatlands of Block C (KHG 14), Pulang Pisau. LESTARI's team of hydrologists and socioeconomic experts conducted fieldwork along 300 kilometers of canals across the 440,000 hectares of Block C. The final hydrological assessment and accompanying geodetic and socioeconomic surveys pinpoint exactly where major canal dams should be located.

The dams will help to restore the hydrological function of peatlands by raising water levels during the dry season and managing floods during the rainy season. A cost estimate for a demonstration set of dams has also been completed with planned implementation during the next dry season in mid-2017. Prior to moving forward, significant attention will be given to securing strong community and local government buy-in; conducting rigorous free, prior, and informed consent (FPIC); and ensuring sustainability of the dams in accordance with all relevant USAID guidelines.



**Figure 8. Four sub-blocks of the hydrological survey in Block C, Pulang Pisau**

Concurrently, LESTARI utilized the MSF platform to inform multi-stakeholders in Pulang Pisau and Palangkaraya on the importance of canal blocking that would mitigate fire and flood risk while still allowing for traditional fishing activities. The intention was to obtain a crucial sense of ownership on the part of all key stakeholders for both construction and maintenance phases. To support such efforts, the Communications team designed an animated storyboard visualization that demonstrates the value of building appropriate dams in the peatlands as well as a Bahasa Indonesia version of the LESTARI Brief on the topic. Bupati Edy of Pulang Pisau expressed particular appreciation for the MSF, which declared unilateral approval for the blocking of all major canals in the 440,000 hectares of Block C. LESTARI will continue to use the MSF in order to ensure a thorough and complete FPIC process.

In support of co-management with communities, LESTARI implemented the RPJMDes approach (Village Development Plan), as an entry point to have better integrated development planning as well as ensuring sustainability due to utilizing a government pipeline. This work focused on piloting communities' engagement in various priority villages in the Katingan-Kahayan Landscape to ensure the integration of the environmental and fire management vision in village management plans, zonation systems, and collaborative forest management. At the same time, LESTARI engaged at the provincial level to support the achievement of social forestry targets as well as facilitated the submission of applications for social forestry licenses to MoEF in order to support the communities' secured access to forests and forest resources.

Landscape	No of pilot villages	Estimated Ha	Result Accomplished
Katingan-Kahayan	5 villages in Pulang Pisau District	16,245 Ha	<ul style="list-style-type: none"> <li>Village management drafts (RPJMDes) that integrate co-management and environmental vision finalized</li> <li>Village zonation drafts</li> <li>Initial review of village forest management plan (RPHD)</li> </ul>
	Kamipang cluster (5 villages –	4.556 Ha	<ul style="list-style-type: none"> <li>Communities agreed to apply for community</li> </ul>



	Katingan District)		forestry <ul style="list-style-type: none"> <li>Documents for HKm application prepared, currently processed in the district level</li> </ul>
	7 villages (Gunung Mas District)	24,885 Ha	<ul style="list-style-type: none"> <li>Application of HTR submitted to MoEF</li> </ul>
	2 villages (Gunung Mas District)	4,268 Ha	<ul style="list-style-type: none"> <li>Application of HKm submitted to MoEF</li> </ul>

For improved protected area management, LESTARI continued to support the implementation of the METT tool to quantify and monitor management performance and optimize the use of resources to better protect the CA's natural assets. METT workshops were held for Sebangau and Bukit Baka Bukit Raya National Parks to disseminate the results of METT score assessment to increase the sense of ownership of the CA managers toward the result, hence generating their commitment to improve the METT score and develop an action plan to do so.

Conservation Area	METT Baseline	Main Activities Accomplished for Year 1
Sebangau National Park	62%	<ul style="list-style-type: none"> <li>METT score baseline established</li> <li>CA awareness and capacity to use METT to measure their management effectiveness improved through METT workshop</li> <li>Training for human-wildlife conflict mitigation engaging communities carried out;</li> <li>Zonation plan completed and integrated into one map policy</li> <li>Participatory action research carried out to understand the impacts of canal blocking in the national park on fishery</li> </ul>
Bukit Baka Bukit Raya National Park	64%	<ul style="list-style-type: none"> <li>METT score baseline established</li> <li>CA awareness and capacity to use METT to measure their management effectiveness improved through METT workshop</li> <li>Integration of zonation plan into one map policy</li> <li>Orangutan conservation (grantee: BOSF)</li> </ul>
TWA Tangkiling*	51%	<ul style="list-style-type: none"> <li>METT score baseline established</li> <li>CA awareness and capacity to use METT to measure their management effectiveness improved through METT workshop</li> </ul>

LESTARI, in close coordination with Ditjen PIKA (*Pemolaan dan Informasi Kawasan Konservasi Alam*), supports finalization of CAs zonation/blocking system and integration of the system into One Map Policy. In Year 1, LESTARI supported the zonation plan integration of Bukit Baka Bukit Raya and Sebangau National Parks into the One Map policy.

In support for sustainable livelihood development in strategic areas, assessments were conducted in the Katingan-Kahayan Landscape that resulted in target villages for conservation and green enterprises/PPPs. Identified local commodities that can contribute to green enterprise development included fresh-water fisheries, community rubber, and rattan. These villages are clustered around Block C of the Ex-Mega Rice Project in Pulang Pisau and around the Katingan River in Katingan District.

Building from these assessments, community-based rubber was the first local commodity to be developed under the PPP mechanism. Signed in Palangkaraya in July 2016, the PPP involves schemes with two different partners: Bank Indonesia (collaborating in funding and training for rubber farmers as well as establishing demo-plots in several locations) and CV Insan Bonafide as a crumb-rubber factory partner (providing training and privilege treatment

for selected farmers with qualified products). Implementation of the activities are in Pulang Pisau District in the villages of Sakakajang, Garung, Buntoi, Kalawa, Gohong, Mantaren1, Kanamit, Gandang, Gandang Barat, Sei Baru Tewu, and Talio. During IFACS, development of livelihoods through rubber was conducted with great success. However, most of the rubber plantations were damaged due to fires in 2015. Therefore, besides focusing on rehabilitation of the rubber plantation, this PPP also aims to educate farmers in implementing Good Agricultural Practices (GAP) as well as integrated fire management to minimize the fire risk while at the same time improving their harvesting techniques so that they will be able to sell the rubber at a higher price. Considering that most of the rubber plantations in Pulang Pisau region are located on peatland, minimizing the fire risk will also help to reduce the land degradation rate.

The specific objectives for the Rubber Green Enterprise Activity are to:

- Upgrade the production of 3,000 natural rubber farmers in the landscape (focusing on several sub-districts) over the next 4 years, with initial activities for Y1 and Y2 in Pulang Pisau District.
- Improve the production and land management practices on approximately 6,000 ha of smallholder rubber plantations over the next 4 years.
- Support the formation of approximately 50 KUBKs to serve the input supply, marketing, and technical assistance needs of their member farmers.
- Incorporate a fire management plan for each KUBK.

Activities during the first quarter of PPP implementation focused on the revitalization of the existing KUBK (rubber group) in Pulang Pisau (activities for reducing fire risk with implementing GAP, improving land management, strengthening KUBK institution) and in parallel exploring locations for establishing new KUBKs. Initial technical meetings with 4 existing KUBKs in Buntoi, Kalawa, Gohong, Mantaren1 were conducted where each KUBK developed future plans which will be followed up in coordination with our PPP partners (Bank Indonesia), local government, and other key stakeholders. The LESTARI team has also been exploring 7 potential locations for establishing new KUBKs. The new KUBK model includes collaboration and partnerships with rubber processing factories, input suppliers, and financial institutions that serve the needs of the community rubber sector.



**Figure 9. Signing Event for PPP-community rubber on July 19, 2016 in Palangkaraya, Central Kalimantan**

Given the significant presence of the land-based private sector and related GHG emissions and threats to biodiversity within this landscape, Year 1 efforts also focused on identifying opportunities for supporting private sector Best Management Practices (BMPs). The initial assessments were conducted by reaching out to previous private sector partners under IFACS, engaging new potential partners in the landscape area, and meetings with associations (such as APhi, GAPKINDO, APINDO, GAPKI, SPKS, APBI) as well as other key stakeholders.

The result from intensive consultation and communication was the signing of MOUs with 9 timber concessions that focus on BMP collaboration (for Reduced Impact Logging to Reduce Carbon Emissions, or RIL-C, and CMMP/HCS-HCV training), exploring potential for PPP collaboration, and if feasible, the development of co-management agreements. Priority will be given to the implementation of technical assistance of RIL-C during Year 2 while CMMPs operationalization/HCS-HCV planning, PPP potential, and co-management will be explored in last quarter of Year 2. The 9 timber concessions are: PT. Dwima Jaya Utama, PT. Carus Indonesia, PT. Hutan Mulia, PT. Hutan Domas Raya, PT. Graha Sentosa, PT. Sarana Piranti Utama, PT. Fitamaya Asmapara, PT. Sikatan Wana Raya, and PT. Kayu Waja.

The common objectives of the collaboration between LESTARI and the concessions are:

- Reduce GHG emissions from land-based forest management activities.
- Improve the conservation management of areas with high conservation value (HCV).
- Improve the welfare of forest-dependent communities through environmentally-friendly economic development activities.
- Support a collaborative management approach – with necessary written agreements to manage forest resources in a sustainable and equitable manner that ensures lasting benefits for local communities.

The Parties also agreed to the specific objectives:

- Increased company capacity for Reduced Impact Logging Practices to Reduce Carbon Emissions (RIL-C).
- Increased company capacity in conservation management of HCV forest.
- Improvement and/or development of economic activities of forest-dependent communities through the utilization of non-timber forest products, and the cultivation of environmentally friendly agriculture.
- The realization of a joint agreement between the community and the parties in order to maintain and preserve the environment.

As mentioned above, the first BMP program to be rolled out will be the implementation of RIL-C trainings. This is to further support the concessions in improving logging practices so that they will minimize the impact to the environment while also reducing GHG emissions. LESTARI will engage a third party under sub-contractor mechanism to conduct the RIL-C trainings during Year 2. The training will be tailored according to the needs of each concession based on the baseline-gap report.

Finally, LESTARI began to explore ecotourism-related initiatives within this first year in order to support sustainable financing models for conservation in the Katingan-Kahayan Landscape. Using baseline visitation and economic impact data, socioeconomic value, PPP prospects, and investment risks, a range of priority areas were identified, along with associated opportunities and challenges. These items are summarized in the table below.

Landscape and Site	Priority Area	Potential Opportunities and Challenges
Sebangau National Park	Sungai Koran	Proximity to Palangkaraya makes this a valuable area to create a education center (in Kereng Bangkirai) and associated activities; biggest challenge is the high cost of river transport
	Sungai Mangkok	To strengthen research and volunteer tourism; biggest challenge is the high cost of river transport
	Baun Bango Jahanjang Karuing & Punggualas	Potential to create market linkage with KTD. Biggest challenge is that their package and pricing model is too expensive for both individual tourists and tour operators
DWIMA	Tumbang Manggu	Potential staging post for ecotourism in the northern Katingan area.
	DWIMA Jaya Utama Education forest, old campsite and nursery	Potential PPP opportunity (Rakata) to develop forest ecology, conservation, and sustainable logging edu-tourism that will showcase DWIMA's best management practices; challenge is the access is via logging roads
	DWIMA Bukit Kecubung (Virgin Forest)	Potential PPP opportunity (Rakata) to develop a research center and expand the edu-tourism offering; challenge is the access is via logging roads
Bukit Baka Bukit Raya National Park	Bukit Raya	The Governor of Katingan has initiated a media campaign and is actively supporting BBBR and Tumbang Habangoi to develop ecotourism. BOSF's grant includes an ecotourism component. The major challenge facing the park is access and planning. The major challenge facing T. Habagoi is pricing and unrealistic expectations of ecotourism income.
Pulang Pisau	Gohong	These villages could benefit from ecotourism if BOSF are able to make Pulau Salat a last phase orangutan rehabilitation area, as KTD will introduce a new route, and people going to and from Banjarmasin will start stopping here. The MSF will be needed to help the communities understand the potential and to plan how they could benefit.
	Jabiren	
	Pilang	

## Update from the SST Team

### Year 1 Progress

Led by LESTARI team member Winrock International, the Sustainability Screening Toolkit (SST) is a set of online geospatial tools that will be developed in collaboration with stakeholders to improve sustainable land use planning in LESTARI landscapes. This work is broken into two overarching tasks: 1) stakeholder engagement and 2) technical development of the SST based on the stakeholder engagement. A series of discussions and workshops were successfully held in Year 1 involving work planning, meeting with all the LESTARI staff in the different landscapes, meeting with stakeholders, meeting with organizations doing similar work, gathering data, and identifying how SST could best integrate with LESTARI's overall goals. It was decided that the initial SST development implementation will be applied to the Central Kalimantan landscape, with particular focus on Pulang Pisau District.

Much of Year 1 SST development work culminated in a few workshops in Central Kalimantan between May 22 and June 3, 2016 where the SST prototype was presented to stakeholders. Positive feedback and support for the development of the SST were received, especially from the provincial and district's Regional Board of Development Planning (*Bappeda*), Office of Environmental and Forestry Services (*Dinas KLH*), Office of Plantation Service Agency (*Dinas Perkebunan*), Office of Directorate of Agriculture (*Dinas Pertanian*), and the community. Furthermore, there needs to be more frequent and targeted stakeholder engagement to help solidify buy-in and confidence in the SST's potential, and assist in the development of the SST toward stakeholder needs. Advice was also raised by local stakeholders in Pulang Pisau District to re-initiate the district's SDI working group for geo-spatial analysis that was previously formed under IFACS. In their opinion, this working group held some significance at the appropriate government level and therefore would be a good platform from which to develop the SST.

The initial version of Sustainability Screening Toolkit (SST) will consist of two main modules: 1) licensing and permitting tool to improve concession boundaries and 2) participatory mapping tools for plantations and village boundaries. The goal of the licensing and permitting tool is to provide an online interface where users can review all the different spatial boundaries for concessions in one place. This module will enable users to review all the different concession boundaries and data together. The module will provide a platform where different agencies and organizations can begin to work toward a "one map" for concessions in Central Kalimantan.

As for participatory mapping tools for plantations and village boundaries module, it will provide a set of methods and mobile tools to facilitate participatory mapping of plantations and villages, to make participatory mapping more efficient, and to make the process visible by creating a site where newly mapped boundaries are displayed online. There are more modules planned to be developed such as:

- Lowland rice identification/suitability
- Annual fire frequency map for villages
- High Conservation Value (HCV) and High Carbon Stock (HCS) analysis that would be valued by private companies

### Next Steps

Year 1 SST-related work was a success in bringing the tool from concept to prototype through engagement with key stakeholders. LESTARI will continue working on developing the first version of the SST application for Year 2. The top priority is to set the application infrastructure and reach out SST stakeholders and finalize cooperation by getting their formal agreement. At the same time we will pursue the installation of a LESTARI Server in the LESTARI office that will have all the GIS data and software for hosting the SST.

In Year 2, the SST will progress from a prototype to actual tools and modules developed for specific stakeholders in Central Kalimantan.



## **USAID LESTARI – MSU Year 1 Progress**

During the second quarter of Year 1, a team from LESTARI subcontractor Michigan State University (MSU) engaged in planning and coordination meetings to explore educational capacity building opportunities with regards to forestry, land use planning, carbon accounting, and REDD+ readiness, among others. Successful meetings were held with Bappenas, MoEF, USAID PRESTASI, LESTARI landscape staff, and faculties from various educational institutions in Palangkaraya, Central Kalimantan. The universities welcomed the engagement and noted the novel and exciting concept of a university-focused education and training initiative. Subsequently, within the third quarter, the LESTARI-MSU team completed a comprehensive July 2016 – September 2017 work plan for its educational capacity development work relevant to LESTARI landscapes. The initiative relies upon close collaboration with the University of Palangka Raya (UNPAR), Muhammadiyah University (MU), and Bogor Agricultural University (IPB). The 15-month work plan will focus on 5 key activities:

### **Activity 1: Institutional Linkages | Memorandum of Understanding (MOU) or General Agreement (GA) Formal Relationships**

MSU will work with UNPAR, MU, IPB and the LESTARI team to formalize the academic relationships between MSU's Department of Forestry and each of the three academic institutions. This will be accomplished through the institutional processes for developing and signing an MOU or GA between the agreeing institutions. These MOU/GA documents will specify key LESTARI focus areas of work and activities.

### **Activity 2: Certificate Program**

MSU will work with IPB and UNPAR to develop curricula material and a short-course or online program that would include a certificate of academic record for participation from IPB with MSU linkage. The curricula and program would be focused in the REDD+ Design Elements: National Forest Monitoring System (NFMS), Forest Reference Emission Levels (FREL/REL) and Safeguard Information Systems (SIS). The initial program would be implemented through UNPAR and if successful, this would serve as a model for other institutions across Indonesia and in particular those academic institutions in the LESTARI landscapes.

### **Activity 3: Training of Master Trainers for Service Learning**

MSU will work with the LESTARI Field Office in Palangkaraya, UNPAR and MU to develop and hold two or three short course programs for training master trainers in the following program topical areas: (1) Forest Carbon Accounting, (2) Spatial Analyses (Remote Sensing and GIS) for Mapping Forest Carbon, and (3) Participatory Community-Mapping and Measurement of Forest Carbon. These topic areas were identified in the May 24, 2016 Workshop with UNPAR, MU and the LESTARI Field Office. Training will include practicum in the LESTARI Katingan-Kahayan landscape in Central Kalimantan, and if possible specifically in Block C / KHG 14, Sebangau National Park, and/or Bukit Baka Bukit Raya National Park.

### **Activity 4: MSU Academic Training Program for UNPAR and MU (Short Course)**

MSU will develop and implement a two-week training program for two to four academic faculty from UNPAR and MU. The training will take place at the GOES laboratory, Department of Forestry, Michigan State University in East Lansing, MI. The focus of the two week program will include (1) establishing Professor-to-Professor linkages to facilitate institutional strengthening and enhanced faculty skills and (2) training in spatial modeling/analysis and tools for computing emission factors and activity data.

### **Activity 5: Sabbatical/US Academic Expert at UNPAR**

An Academic expert from the US will be placed at UNPAR to work directly with UNPAR staff on institutional strengthening, educational training and capacity-building along the core elements of the LESTARI project. The first year person will start in September or October 2016 and support the MSU-LESTARI-UNPAR logistics for all activities, especially in the development of the Certificate Program with IPB. A second year person will be identified to start in September 2017.

## Challenges and Opportunities

- Heavy rains in 2016 following the 2015 El Niño dry year are diminishing public concern about the vulnerability of the peatlands to fire and haze. Furthermore, Provincial Public Works recently built a new major canal in Pulang Pisau District across one of the most severely burned areas (observed from Kilometer 33 of the main road south). The District executive and legislature as well as BRG expressed indignation at this countervailing action to their commitment to block major canals. This apparent contradiction of government interests illustrates the challenge of achieving coordinated stewardship of the peatland hydrological unit yet at the same time stiffening the resolve of BRG and District Government to act in the direction of restoration rather than short-term exploitation.



**Figure 10. A new canal built by Public Works Kalteng Province inside KHG 14, of understandable concern to Pulang Pisau District government that is supporting canal blocking, emphasizes the need for effective coordination across the range of administrative levels from national, provincial, district to village to achieve restoration of peatland hydrology**

- LESTARI's peatland surveys and related geospatial analyses including the sustainability screening tool integrated with bottom-up village level planning to raise the value of local livelihoods in ways that incentivize local integrated land and fire management should contribute to the construction of improved spatial planning.
- Towards on-the-ground landscape-based approach – Arguably, LESTARI is closest to realizing a landscape-based approach in Kahayan Hilir sub-District nested within the Block C peatscape, itself nested within the wider Katingan-Kahayan Landscape. It is here that the synergy between conservation and growth holds the most promise for demonstration in contrast to the often a divisive divide between environmental and economic development mindsets among decision-makers. The pieces are being put in place to ensure the right kind of landscape-wide spatial certainty through spatial planning zonation (conservation and limited production ultimately to be reflected in detailed spatial planning, RDTR down to the village level) and through RPJMDs to orientate village-level development planning towards fire prevention and fire-fighting.

- Resolving conflicting actions in Pulang Pisau District that undermine peatland restoration – Discovery by the hydrological survey of Block C that Provincial Public Works has constructed a new major canal within the peatland while District Government and BRG are supporting canal blocking (Figure 10)
- RDTR processes offer the opportunity to resolve intractable RTRWK problems – The persistent stand-off between Pulang Pisau and Central Kalimantan about District and Provincial spatial plan misalignments can be informed and perhaps resolved by reference to the more socially, environmentally and economically-credible higher-resolution approach of RDTR zonation down to the village level.
- While joint patrols are proposed at a regional national park level, further official agreement by the head of the park is still required, necessitating official agreements between the project and the MOEF, specifically the Office of Nature Conservation and Ecosystems (KSDAE).
- APhi – the Indonesian Association of Forestry Companies – are enthusiastic about developing a landscape approach for sustainable forestry and timber production around Bukit Baka Bukit Raya National Park.

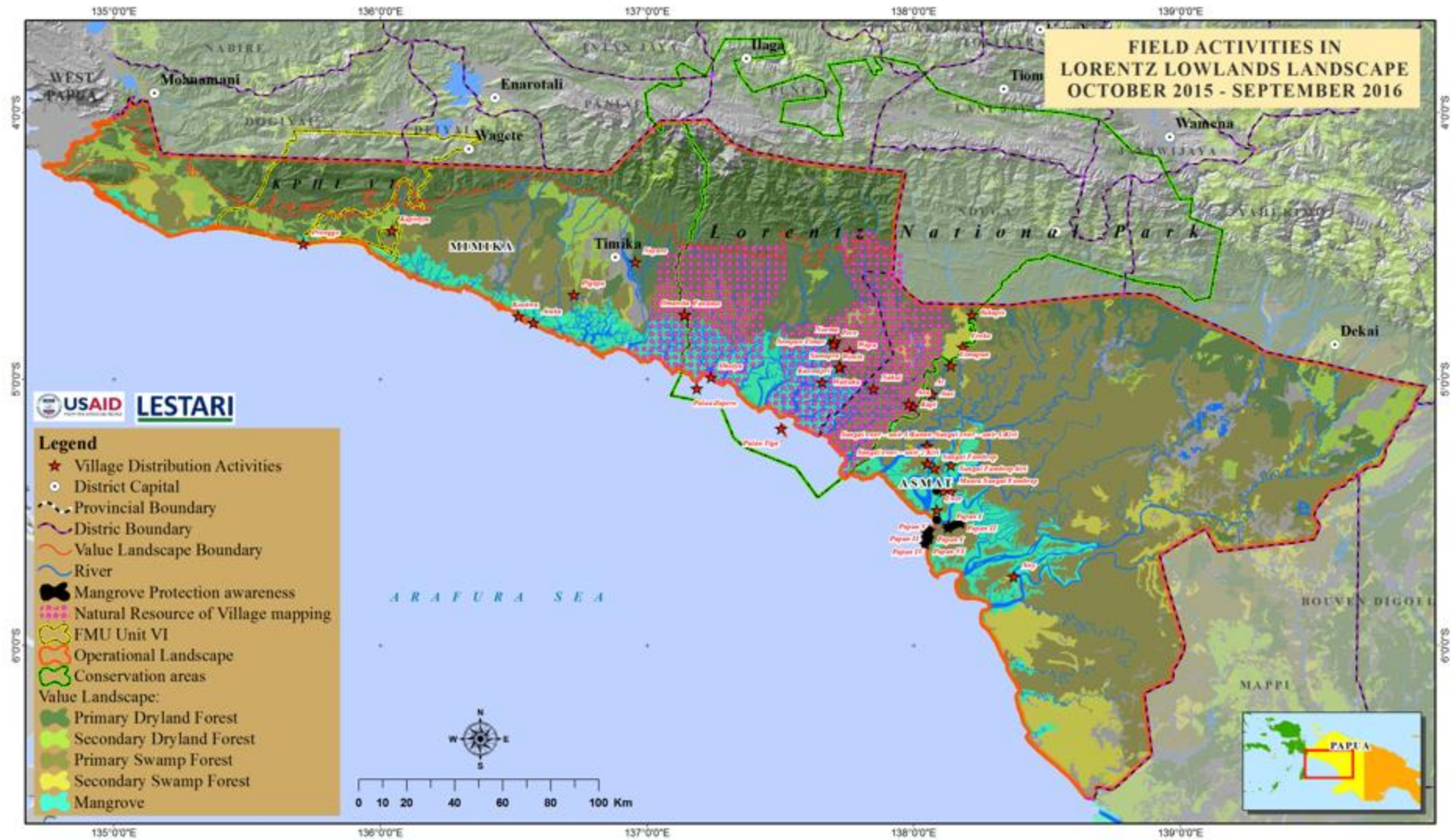
## Priority Activities in Kalteng for Year 2

- Conduct rigorous FPIC with multi-stakeholders, securing their support for a demonstration set of compacted dams that restore peatland hydrology
- Proceed with construction of demonstration set of compacted dams during the next dry season in line with all USAID guidelines
- Expand rubber PPP by engaging more private and public sector actors
- Implement RIL-C training with 6 timber concessions around Bukit Baka Bukit Raya National Park
- Support innovative financing initiative for Sebangau National Park restoration, led by WWF
- Keep peatland fire prevention and suppression in the forefront of public attention, e.g., the theme of MSFs strengthened with the use of drone imagery, dissemination of LESTARI Briefs, and presentation of Fire Hero Videos
- Plan for periodic M&E via drones in selected sub-landscapes to set up comparative imagery that establishes the beneficial attribution of LESTARI initiatives in line with the main biodiversity and GHG emission goals
- Continue working on developing the first version of the SST. The top priority is to set the application infrastructure and reach out to SST stakeholders to finalize cooperation by getting their formal agreement
- Implementation of Field School for RPJMDs and co-management followed by the development of village zonation plan and co-management agreements with relevant government agencies

- MSF launching for Katingan and Gunung Mas District
- Follow-up on STI assessment for priority ecotourism site development in Central Kalimantan
- Start LESTARI-MSU 15-month workplan on institutional linkages and certificate program with UNPAR, MU, and IPB
- Following rapid assessments for patrolling in BBR and Sebangau National Parks, ensure SMART Patrol training and roll out during Year 2
- Continue supporting and promoting LESTARI Champions (e.g. Bapak Sumarjito and his fire-free land clearing technique) through offline and online channels
- Pilot PES toolkit in Sebangau National Park and/or BBR National Park



## Lorentz Lowlands Landscape





## Landscape Profile

The IFACS Asmat and Mimika landscapes have been combined into a single Lorentz Lowlands Landscape. These two districts and the landscape are characterized by a large lowland area of the Lorentz National Park that gives the landscape its name. The Lorentz Lowlands Landscape consists of largely intact dry-land (mineral soil) forests in the northern parts of the landscape, extensive lowland swamp forests along the central belt, and the world's most rich and intact mangrove ecosystems on the southern coast. These mangroves, that are the focus of much of the LESTARI activities in the landscape, stretch along 500 km of coastline and cover over 400,000 ha. The bordering freshwater swamp forest (approximately 1M ha) is important for maintaining the mangroves and together harbor some of the highest carbon stock and biodiversity per hectare of similar forests on the planet. These assets need to be managed sustainably to mitigate vast GHG emissions and conserve its important endemic biodiversity and environmental services that local communities enjoy.

LESTARI's overall vision for this landscape is to reduce degradation and future deforestation of primary forest and mangrove and improve biodiversity conservation through sustainable co-management, improved spatial planning and CA management. This is to be achieved through the following priority initiatives:

- Improvement and implementation of the spatial plan focusing on peat, through the operationalization of SEA-LEDS recommendations
- Protected forest management (includes peatlands) through co-management
- Maintenance of mangrove and peatland resilience (including hydrological and socio-economic resilience) through sustainable livelihoods

## Year 1 Progress

During Year 1, LESTARI launched key activities across all three technical themes in the Lorentz Lowlands Landscape in support of the GHG reduction and biodiversity conservation goals. Activities focused primarily on improved awareness and advocacy efforts, co-management initiatives with communities in and around Lorentz National Park, continued capacity building support for KPH, partnerships with the private sector in support of the NP, and improvement of the District spatial planning in Mimika by integrating SEA recommendations into revised zonation.

To support improved media coverage on key landscape issues, LESTARI facilitated a 5-day media gathering with approximately 25 local and national journalists. Attendees were accompanied by officers from Lorentz National Park, BKSDA, Ministry of Marine and Fisheries, and local government. For most of the journalists, the visit was an eye opener and enabled participants to acquire a deeper understanding of the threats and challenges facing the landscape and its communities, and to share this knowledge through their respective media outlets. For instance, following the event, a journalist from Tempo News produced an in-depth report entitled "Life-Preserving Mangroves in Papua" that highlights the importance of ensuring the sustainability of mangrove ecosystems for the livelihoods of local communities. Tempo is a highly credible magazine that is valued as one of the most-influential media outlets for policymakers.



**Figure 11. A 6-page spread published in Tempo on LESTARI's support for mangrove sustainability**

Moreover, social media activity was effective throughout Year 1 in sharing professional-level imagery of the Lorentz Lowlands value landscape while also communicating LESTARI's key landscape activities and outcomes.

Following an environmental and socio-economic resilience assessment in Mimika, a number of priority villages were selected for piloting co-management efforts with communities. Moreover, a Training of Trainers event was held with community facilitators, local government agencies, KPHL, and Lorentz National Park authorities to equip attendees with facilitation skills and improve their knowledge on co-management.

Landscape	No of pilot villages	Estimated Ha	Result Accomplished
Lorentz Lowlands	1 inside national park, 1 outside national Park (Asmat District) 3 villages (Mimika District)	3,551 Ha	<ul style="list-style-type: none"> <li>Natural resources to be co-managed identified</li> <li>Updated land use maps based on CCLA</li> <li>Common vision for sustainable landscape and forest management in the village level agreed (follow up activities will be carried second year)</li> </ul>

In Mimika, LESTARI facilitated the development of a multi-stakeholder partnership agreement to support biodiversity conservation in and around Lorentz National Park, which was signed by BKSDA Papua, Lorentz National Park, Mimika District Government, *adat* communities' representatives (LEMASKO and village head of Fanamo), PT Freeport, and LESTARI. The agreement covers three major areas that all of the signatories will work together on: *first*, data management and research of biodiversity conservation in Mimika District; *second*, communities' empowerment and engagement in biodiversity conservation; and *third*, law enforcement with regards to biodiversity conservation. Action plans have also been developed to implement the commitment, which includes joint patrols, joint research and survey, standard operation procedure (SOP) for handing confiscated wildlife, and community engagement activities, among others.

LESTARI acknowledges that supporting Forest Management Unit (FMU) operationalization becomes increasingly essential since the management of forest located outside the conservation area will be managed by FMUs. Starting in the third quarter of this year, LESTARI began to support 1 FMU in the Lorentz Lowlands Landscape to improve its

capacity to manage forest area and adopt a collaborative approach. LESTARI supported the FMU in carrying out public consultations to garner public inputs for its long term management plan. Engagement with FMU revealed that more comprehensive support is needed to assist institutional and capacity building, hence underscoring LESTARI's priority for the second year to do so.

In support for improved protected area management, LESTARI continued to support the implementation of the METT tool to quantify and monitor management performance and optimize the use of resources to better protect the CA's natural assets. After the baseline METT score was established, a workshop was held for Lorentz National Park to disseminate the result and build a sense of ownership of CA managers toward the result. CA managers were also facilitated to build action plans to improve the METT score and will be used by LESTARI as a foundation to prioritize support.

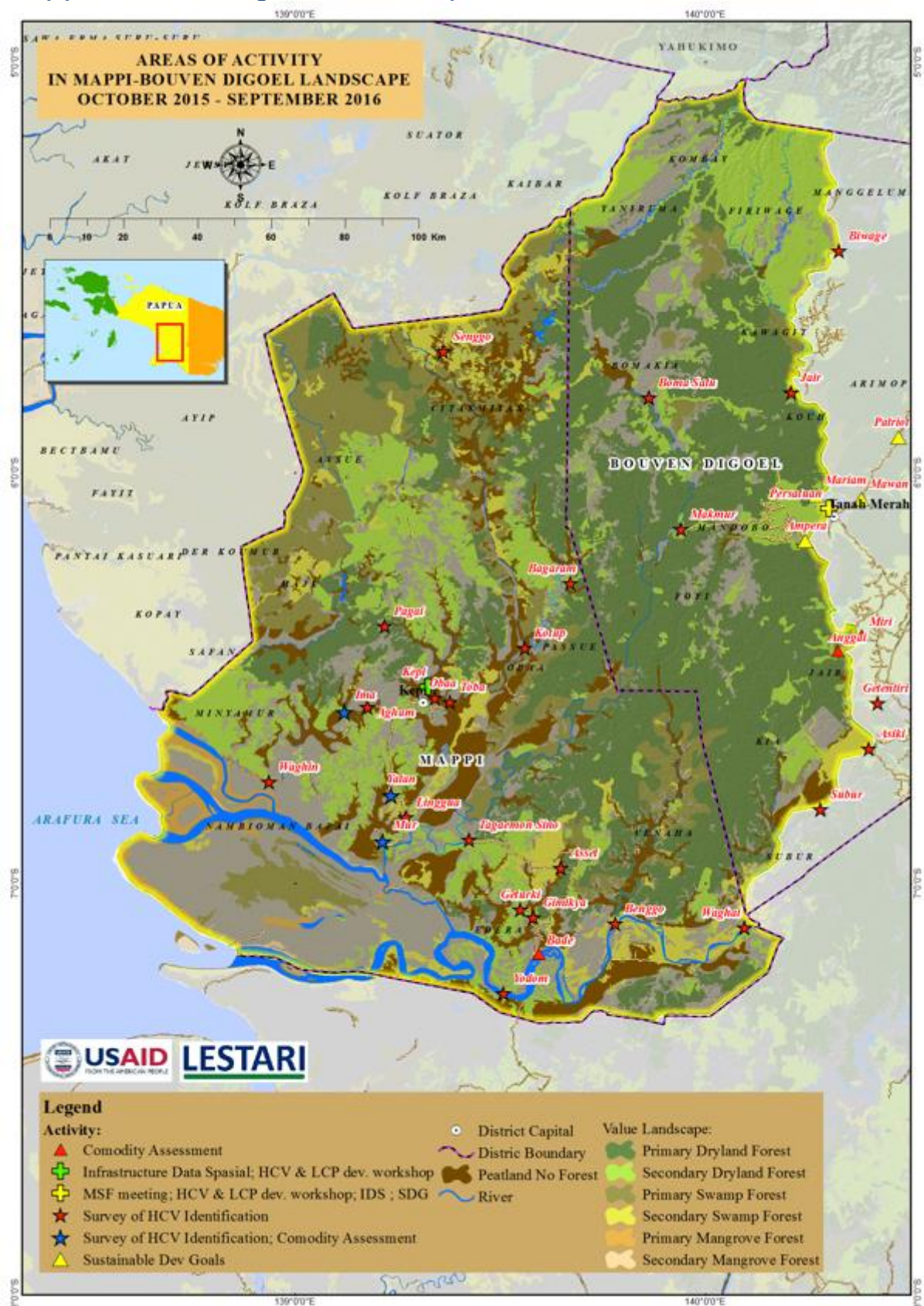
Conservation Area	METT Baseline	Main Activities Accomplished for Year 1
Lorentz National Park	43%	<ul style="list-style-type: none"> <li>• METT score baseline established</li> <li>• CA awareness and capacity to use METT to measure their management effectiveness improved through METT workshop</li> <li>• Important areas in Lorentz national park are mapped engaging communities, which will be integrated in the park zoning system</li> <li>• Communities awareness on zonation system and wildlife are</li> <li>• Zonation system socialization and wildlife conservation campaign in several <i>adat</i> communities in Asmat</li> <li>• Multi stakeholder workshop and signing of agreement on collaborative biodiversity conservation in Mimika District</li> </ul>

In support for operationalizing SEA/LCP, LESTARI has supported an ongoing SEA-LEDS driven spatial plan revision process in Mimika District that will incorporate recommendations from the SEA produced under IFACS. The SEA was completed after the spatial plan had been finalized, but there are now opportunities to include recommendations to safeguard against new threats to the landscape in the spatial plan revision. LESTARI has facilitated working groups to update information and prepared for broad-based and inclusive public consultations for the revision that will be completed in 2017.

Finally, within Year 1, LESTARI supported broad-based and inclusive MSFs in Mimika and Asmat Districts to discuss issues related to landscape sustainability. Firstly, MSF protocol was streamlined and standardized through a reporting template and background guidance paper. Subsequently, both Mimika and Asmat MSFs transitioned from the institutionalization milestone to address technical issues. In Mimika, MSFs addressed zonation, mangrove resources, and species conservation in Lorentz National Park. In Asmat, MSF discourse involved mangrove conservation and awareness raising on protected species in Lorentz National Park. Notably, Mimika District agreed to consolidate all its various pre-existing MSFs into the one being supported by LESTARI.



# Mappi-Bouven Digoel Landscape



The Mappi-Bouven Digoel Landscape is a new area for USAID projects. It covers a large undeveloped expanse of lowland forest on a lowland mineral terrace, and extensive peat lands, swamps and some mangrove in the lower reaches towards the coast. The landscape is characterized by Papua's largest river, the Digul, which forms the eastern boundary of the landscape.

Southeast Papua has long been the focus of large development plans for the expansion in agricultural and land-based energy estates. The MIFEE (Merauke Integrated Food and Energy Estate) project that was initiated under the SBY government has been revisited and supported by the Jokowi administration. The actual impact of MIFEE spreads beyond the Merauke district, as large parcels of land have long been designated for conversion to oil palm and pulp plantations in Bouven Digoel and Mappi Districts. We propose an extension to the Lorentz value landscape to encapsulate the forested areas slated for conversion within the 'location license' of these oil palm and industrial timber plantation companies. Most of these companies are not yet operating in the landscape to date, which presents LESTARI with an opportunity to rationalize conversion and mitigate negative environmental and social impacts from plantation development.

LESTARI's overall vision for this landscape is to reduce future deforestation and degradation of forest by large-scale private sector. This is to be achieved through the following initiative:

- Land use rationalization to include essential hydrological, ecological, socio-economic functions in private sector planning.

## Year 1 Progress

During the first part of Year 1, much of the work in the Mappi-Bouven Digoel Landscape was focused on socializing the LESTARI project and conducting stakeholder mapping as a precursor for developing inclusive MSFs. This foundational work was especially important considering Bouven-Digoel is a new district for USAID environmental projects.

Subsequently, MSFs were initiated for Mappi and Bouven Digoel Districts, and proceeded through the first milestone, which involved: stakeholder identification, needs assessment, clear understanding of the nature and function of MSF, forum structure completion, strategic issues identified, and SK Bupati issued in recognition of the MSF. To further institutionalize the MSFs and promote internal accountability, protocol was standardized through a reporting template and background guidance paper.

In Mappi, MSF dialogue will focus on mapping investments and what this means for supporting livelihoods and managing land and natural resource assets. In Bouven Digoel, MSF dialogue sessions will focus on the results of the survey of local communities to identify solutions for sustainable livelihoods.

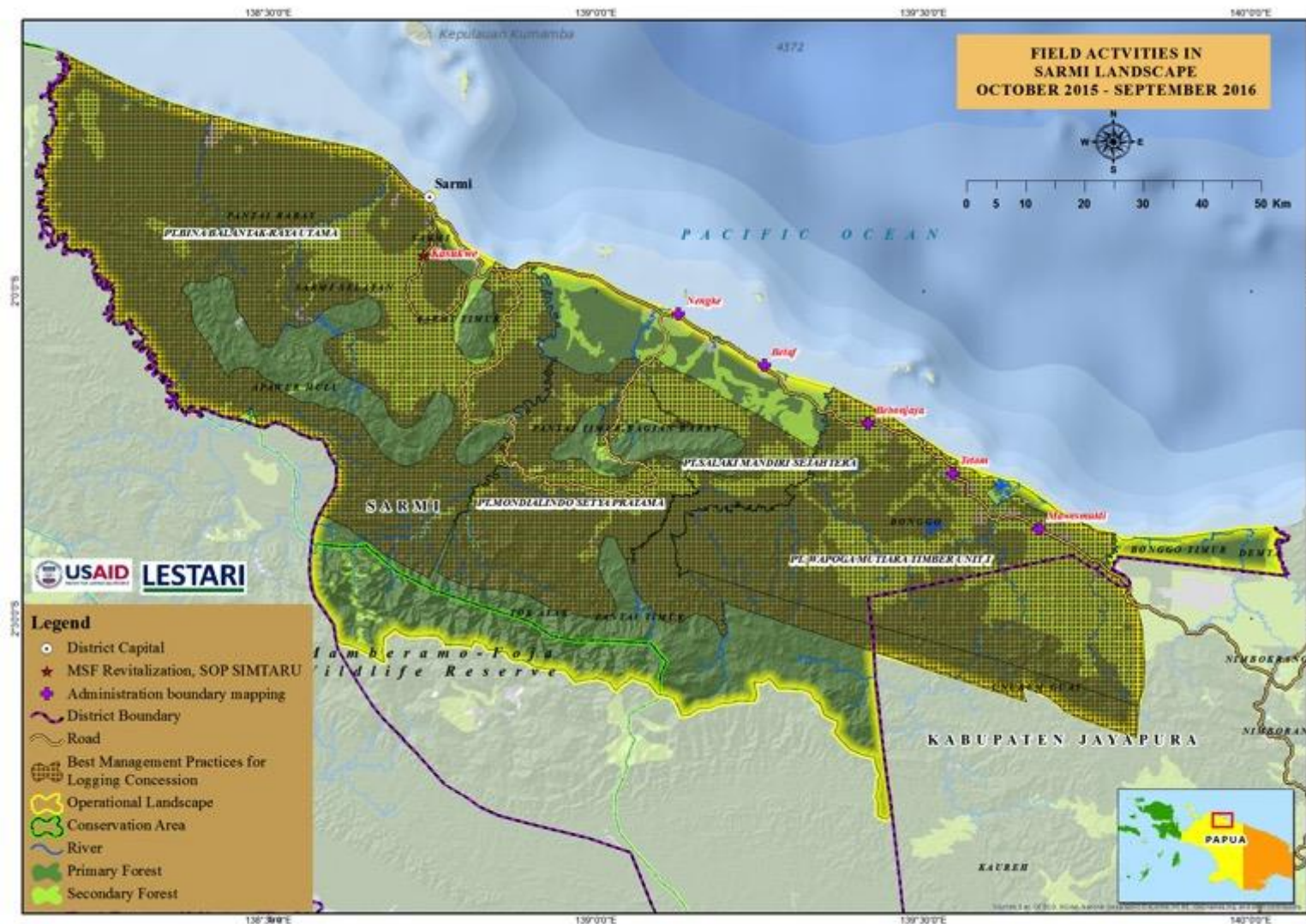
An HCV field survey was conducted in the Mappi-Bouven Digoel Landscape to identify and map high conservation value assets in the landscape including critical and significant endemic biodiversity, rare and threatened ecosystems, watersheds, and other key environmental services. HCV maps are one of the key data used in improving awareness among multi-stakeholders about the importance of critical environmental services in the landscape, and starting to rationalize land use lands that, at present, do not respect these assets.

In addition, an initial assessment on potential investments for sustainable livelihood development based on local commodities was conducted. The output is a strategic plan to foster partnerships with private sector entities in developing and improving the livelihoods of local communities. This activity will be combined with the result from a land suitability



assessment to develop a strategic plan throughout the landscape to support the main landscape initiative: land use rationalization. The final result will be shared and discussed in the MSF with relevant stakeholders during the first quarter of Year 2.

## Sarmi Landscape



The LESTARI Sarimi Landscape in northern Papua is almost entirely covered with natural forests, from the low coastal land up to the Foja Mountains in the hinterlands. This includes extensive areas of lowland peat swamp forest as well as mangrove forests along the 200 km coast. The region is known for its rich biodiversity in all forest types including tree-kangaroos, the enigmatic Northern Cassowary, 16 species of parrot and cockatoos, and 6 species of birds of paradise – all of which are relatively common throughout the landscape. As 96% of the Sarimi Landscape is forest-covered, the operational landscape is almost identical to the value landscape.

LESTARI's overall vision for this landscape is to reduce degradation of primary forest, improve sustainable forest management, and reduce future deforestation by large-scale private sector. This is to be achieved through the following initiatives:

- Improved adoption of BMPs in timber concessions
- Community based forest management
- Land use Rationalization of any future private sector through operationalizing SEA-LEDS and LCPs

## Year 1 Progress

The political situation in Sarimi involving rival factions from within the government significantly limited LESTARI's Year 1 initiatives in this landscape, particularly with regards to governance initiatives and work with communities to safeguard forests. While these important initiatives, highlighted below, were launched within early Year 1, they have had to be postponed indefinitely due to ongoing political constraints.

- In support of multi-stakeholder engagement, a successful initial MSF meeting was held and was proceeded by a follow-up meeting to finalize the draft SK Bupati, which included vision/mission, first year work plan, and membership extension.
- A community discussion and development planning meeting (*Musrenbang*) was held with the district government to highlight a number of strategic initiatives and issues of mutual interest between LESTARI and the local government in order to identify areas of future cooperation.
- LESTARI coordinated and cooperated with Bappeda at the district level to facilitate capacity development for SDI Units in terms of both human resource capacity and spatial data management. Discussions were also held with the Provincial Bappeda to establish connectivity between SDI at the district level with SIMTARU at the provincial level.

Despite these constraints, LESTARI was able to make progress in collaborating with the private sector on implementing Best Management Practices (BMPs). After a thorough screening of concessions, LESTARI identified 2 timber concessions for Reduced Impact Logging to Reduce Carbon Emissions (RIL-C) and CMMP/HCS-HCV training support. After thorough communication, MOUs were signed with PT Wapoga Mutiara Timber (169,170 ha) and PT Salaki (79,130 ha). Priority will be given to the implementation of technical assistance of RIL-C during Year 2 while CMMPs operationalization/HCS-HCV planning, PPP potential, and co-management will be explored in last quarter of Year 2.

The common objectives of the collaboration between LESTARI and the concessions are:

- Reduce GHG emissions from land-based forest management activities.
- Improve the conservation management of areas with high conservation value (HCV).
- Improve the welfare of forest-dependent communities through environmentally-friendly economic development activities.

- Support a collaborative management approach – with necessary written agreements to manage forest resources in a sustainable and equitable manner that ensures lasting benefits for local communities.

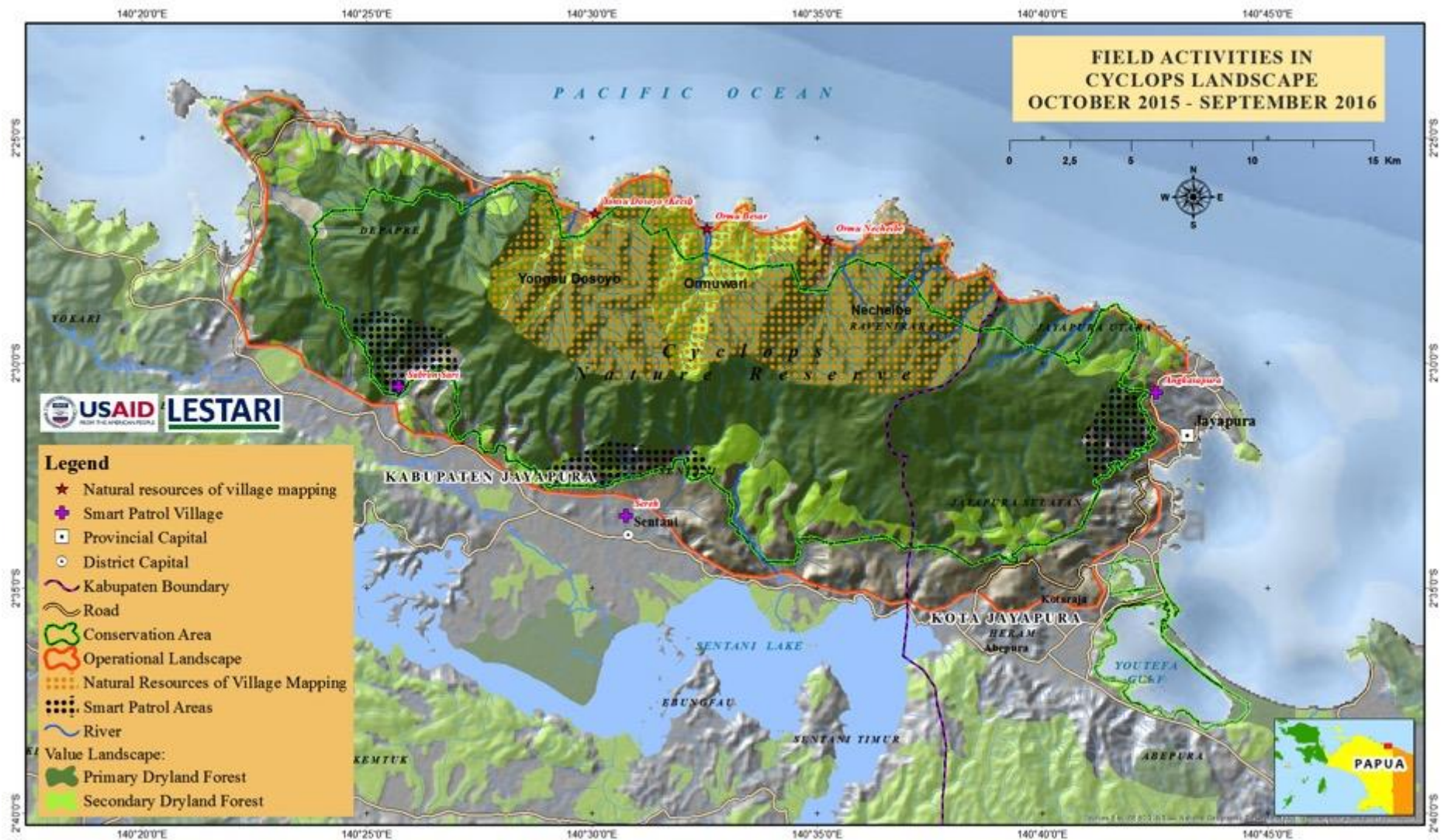
The Parties also agreed to the specific objectives:

- Increased company capacity for Reduced Impact Logging Practices to Reduce Carbon Emissions (RIL-C).
- Increased company capacity in conservation management of HCV forest.
- Improvement and/or development of economic activities of forest-dependent communities through the utilization of non-timber forest products, and the cultivation of environmentally friendly agriculture.
- The realization of a joint agreement between the community and the parties in order to maintain and preserve the environment.

As mentioned above, the first BMP program to be rolled out will be the implementation of RIL-C trainings. This is to further support the concessions in improving logging practices so that they will minimize the impact to the environment while also reducing GHG emissions. LESTARI will engage a third party under sub-contractor mechanism to conduct the RIL-C trainings during Year 2. The training will be tailored according to the needs of each concession based on the baseline-gap report.



## Cyclops Landscape





The Cyclops Landscape in northern Papua is the smallest LESTARI Landscape (47,000 ha), but nevertheless rich in forest and biodiversity resources. The proximity of the mountain range to the provincial capital provides a focal point for conservation of environmental services. Due to the proximity of Papua's largest population center, the mountain range is under threat from illegal logging, charcoal making, wildlife poaching, and encroachment for agricultural land by mountain communities migrating to the capital. The value landscape is defined by the remaining forest within and surrounding the nature reserve. The operational landscape contains the bordering buffer zone to the reserve.

The overall vision for this landscape is to reduce deforestation and degradation of Cyclops Nature Reserve through improved co-management of the CA. This is to be achieved through improved management through the KPH and co-management with communities to improve livelihoods. .

## Year 1 Progress

During Year 1, a major achievement for LESTARI in the Cyclops Landscape was the finalization of the declaration on collaborative management of Cyclops Nature Reserve and the facilitation of its signing. The declaration was signed by various key stakeholders during the LESTARI launch event in Jayapura, including the Papua Nature Conservation Agency (BKSDA), provincial and district government, private sector entities, and representatives of indigenous communities who live in and around the reserve. The declaration includes commitments from those stakeholders to enhance the management effectiveness of Cyclops and its buffer zone area.

To operationalize the agreement, LESTARI facilitated the development of a draft district regulation on Cyclops Buffer Zone management to secure long term commitments (including budget allocation) from the district government. LESTARI also began piloting co-management initiatives with 3 villages through participatory mapping exercises. This work will be followed up in the second year.

Landscape	No of pilot villages	Estimated Ha	Result Accomplished
Cyclops	Intervention in the village level will be started in Y2 – 3 villages completed participatory mapping	12,500 Ha	<ul style="list-style-type: none"> <li>Co-management agreement for Cyclops signed by multi-stakeholders</li> <li>District regulation draft for bufferzone management has been consulted to public</li> <li>Participatory mapping completed in 3 villages</li> </ul>

In support for improved protected area management, LESTARI continued to support the implementation of the METT tool to quantify and monitor management performance and optimize the use of resources to better protect the Cyclops' natural assets. After the baseline METT score was established, a workshop was held for Cyclops to disseminate the result and build a sense of ownership of CA managers toward the result. CA managers were also facilitated to build action plans to improve the METT score and will be used by LESTARI as a foundation to prioritize support.

Conservation Area	METT Baseline	Main Activities Accomplished for Year 1
Cyclops Nature Reserve	43%	<ul style="list-style-type: none"> <li>• METT score baseline established</li> <li>• CA awareness and capacity to use METT to measure their management effectiveness improved through METT workshop</li> <li>• SMART Patrol training and roll out (3 teams)</li> <li>• Public consultation held for management plan and blocking</li> <li>• Public consultation held for a district regulation on Cyclops bufferzone management</li> <li>• Training on spatial data and zonation plan</li> <li>• Training on Multidisciplinary Landscape Assessment</li> <li>• Public consultation for UU 5/1990</li> </ul>

Moreover, LESTARI supported SMART Patrols in Cyclops as a tool to improve the effectiveness of habitat protection and monitoring by enabling CA managers to provide more timely responses. The SMART Patrols strategy aims to optimize park management resources to target areas under greatest threat from wildlife poaching, logging, and other illegal activities.

First, a SMART patrol assessment was held in Cyclops Nature Reserve to discuss: 1) existing patrol systems and patrol intensity, 2) priority areas for patrolling, and 3) human and financial resources. Second, a SMART patrol training was held that involved five days of training on database system management and two days on data collection practices. This involved rangers from BKSDA Papua (Cyclops Nature Reserve) and provincial forestry agencies.



**Figure 12. SMART patrol training attended by BKSDA Papua and the Forestry Service**

Subsequently, BKSDA Papua and the LESTARI team began carrying out a 4-month patrol and database system trial that started in June 2016. Three community ranger teams in Moy, Sereh, and Angkasa Villages have been engaged in the patrol. The patrol budget is co-funded by BKSDA Papua and LESTARI. Two officers of BKSDA Papua coordinate and hold the integrated database system in the office in Jayapura and are supported by 3 trained

officers assisted by LESTARI staff that together monitor the 3 ranger teams (45 community rangers) to conduct the continuous patrol and data collection. After the completion of the system trial, an initial evaluation was held. Long term roll out of SMART Patrols will be implemented in Year 2. A summary of the patrol data is provided below.

Conservation Area	No teams	Patrol times	Duration	Days Y1	Patrol Distance Y1	Main Findings
Cyclops	3	12	June – Sept 2016	60	254.03	The team found land clearing in 9 locations and 64 community gardens inside the area. 78 houses and 26 points of mining were also found in the CA.

LESTARI, in close coordination with Ditjen PIKA (*Pemolaan dan Informasi Kawasan Konservasi Alam*), supports finalization of CAs zonation/blocking system and integration of the system into One Map Policy. In Year 1, LESTARI carried out a capacity building activity for BKSDA Papua staff members on conservation zonation and provided technical inputs to improve the zonation plan of CA Cyclops.

Finally, LESTARI continued to support KSDAE's target to establish and ensure the operationalization of Forest Management Unit – Conservation (KPHK) in Cyclops-Yuteva. An important element of this establishment is developing a long term management plan. In the third and fourth quarters, LESTARI collaborated with BKSDA Papua to support the development and public consultation of the long term management plan and CA Cyclops zoning system. In the second year, LESTARI will continue supporting the completion of the long term management plan.

## Papua Provincial Initiatives

Activities at the Provincial level are especially important in Papua as LESTARI works in four landscapes, and issues resolved at the provincial level will often have an impact for one of more landscapes, creating efficiencies.

During Year 1, this was primarily implemented through support for provincial-level Spatial Data infrastructure (SDI). LESTARI has again assisted with development of Papua Province's Information System for Spatial Planning (SIMTARU) originally initiated under USAID ESP and later further developed by UKCCU Protarih. SIMTARU aims to help achieve dynamic, transparent information exchanges between SKPD at the provincial level and between Provincial and Kabupaten SDI within LESTARI landscapes. This past year, community/adat areas that Badan Informasi Geospasial (BIG) wishes to see incorporated in the One Map initiative began to be uploaded into SIMTARU. SIMTARU further took a major step towards being a basis for sustainable natural resource licensing by training Papua's one-stop-shop for province-level licensing to be integrated with this IDS. Furthermore, SIMTARU strengthened geospatial data linkages between the province level and the Districts of Sarmi and Mimika. The LESTARI team facilitated signing of the MoU document between the Governor and BIG that explicitly refers to SIMTARU, as well as refining two draft Governor's decrees for SIMTARU development, one on establishment and the other on natural resource licensing. In comparison with all other IDS in LESTARI landscapes, SIMTARU at the end of Year 1 was the most advanced.

Moreover, to support advocacy efforts in Papua for improved awareness of forestry conservation and biodiversity issues, LESTARI also assisted Papua Provincial Government to organize the International Conference on Biodiversity, Eco-tourism and Creative Economy, September 6-8 in Jayapura. During the exhibition, LESTARI showcased a video highlighting the importance of mangrove conservation, Kamoro culture, and the rest of the Lorentz Lowlands Landscape to approximately 800 visitors.

## Challenges and Opportunities in Papua Landscapes

- There is a pressing need to address concerns among the Cyclops necessarily influential customary (*Adat*) leaders. The *Dewan Adat Suku (DAS)* complained that they were insufficiently involved in Cyclops Collaborative Management, in particular zonation of the Nature Reserve. Although the *Sahabat Cyclops* initiative should help to bring about a more inclusive approach to collaborative management in line with the joint declaration of January 21, 2016, an MSF modality with wider membership may prove to be a significant complementary approach that would at the same time open up the possibility of a Province-wide MSF relevant to the needs of the LESTARI landscapes.
- Analysis of the state of KPH in Mimika indicated that the single greatest constraint to progress remains the process for formulating long-term development plans without which the KPH cannot be self-reliant.
- Demand-driven activities in line with LESTARI goals present enormous opportunities. E.g., BAPPEDA's request to support and develop the Spatial Planning Information System (SIMTARU), initiated by USAID-ESP and further developed by UKCCU's PROTARIH that ended in February, to serve Districts inside LESTARI landscapes.
- Mimika and Jayapura have shown commitment to LESTARI and budgeted funds for activities that will contribute to improved natural resource management and reduced

GHG emissions. Activities budgeted include financial support for the MSF, development of the SDI, and collaborative management of protected areas.

- The results of the mapping exercises will serve as key data for Bappeda Timika and Asmat in the revision of the RTRW.
- Foundations that work in Mimika and Asmat lack the capacity to compete for grants and lack sustained support from the government and donor agencies.
- The involvement of women in LESTARI activities in Papua is still too low.

## Priority Activities in Papua Landscapes for Year 2

- Implement a comprehensive strategy to support capacity and institutional building of FMUs in Mimika (KPH VI) and carry out assessments
- Implement RIL-C training for HPH companies in Sarimi Landscape
- Assessment of patrol systems in Lorentz National Park and preparation of SMART Patrol roll out
- Training for spatial data management and zonation in Cyclops Nature Reserve.
- Establishment of the Forum of Indigenous Peoples in Lorentz National Park.
- Establishment of KKMD (*Kelompok Kerja Mangrove Daerah*) – a working group for collaborative management of mangroves in Asmat District.
- SEA updating and integration into RTRWK revision for Mimika
- Promoting a Forest Park (Tahura) in the mangroves of Mimika through management plan development
- Implementing a value-chain and market assessment for crab and sago, and identify and develop a Private Public Partnership for a low emission / green enterprise that provides incentives to conserve forests in Lorentz Lowlands
- Explore private sector best management practices development with timber concessions (and potentially Oil Palm) in Mimika district
- Developing SEA for Bouven Digul district, and revise the SEA document in Mappi
- Building SDI capacity in Mappi and Bouven Digul districts with improved data (land suitability and modeling of threats and impacts, HCVs) and SOPs, to compliment the SEA and LCP development
- Aggressive communications strategy advocating the conservation of forests and sustainable low-emission development capitalizing on prominent events in the Landscape emphasizing water resource services
- Enhanced sense of ownership in maintaining forest values through the creation of a provincial MSF, Sahabat Cyclops, and establishment of technical working groups for the development of environmental regulations and advocacy



## APPENDIX 1: LESTARI YEAR 1 PROGRESS MATRIX

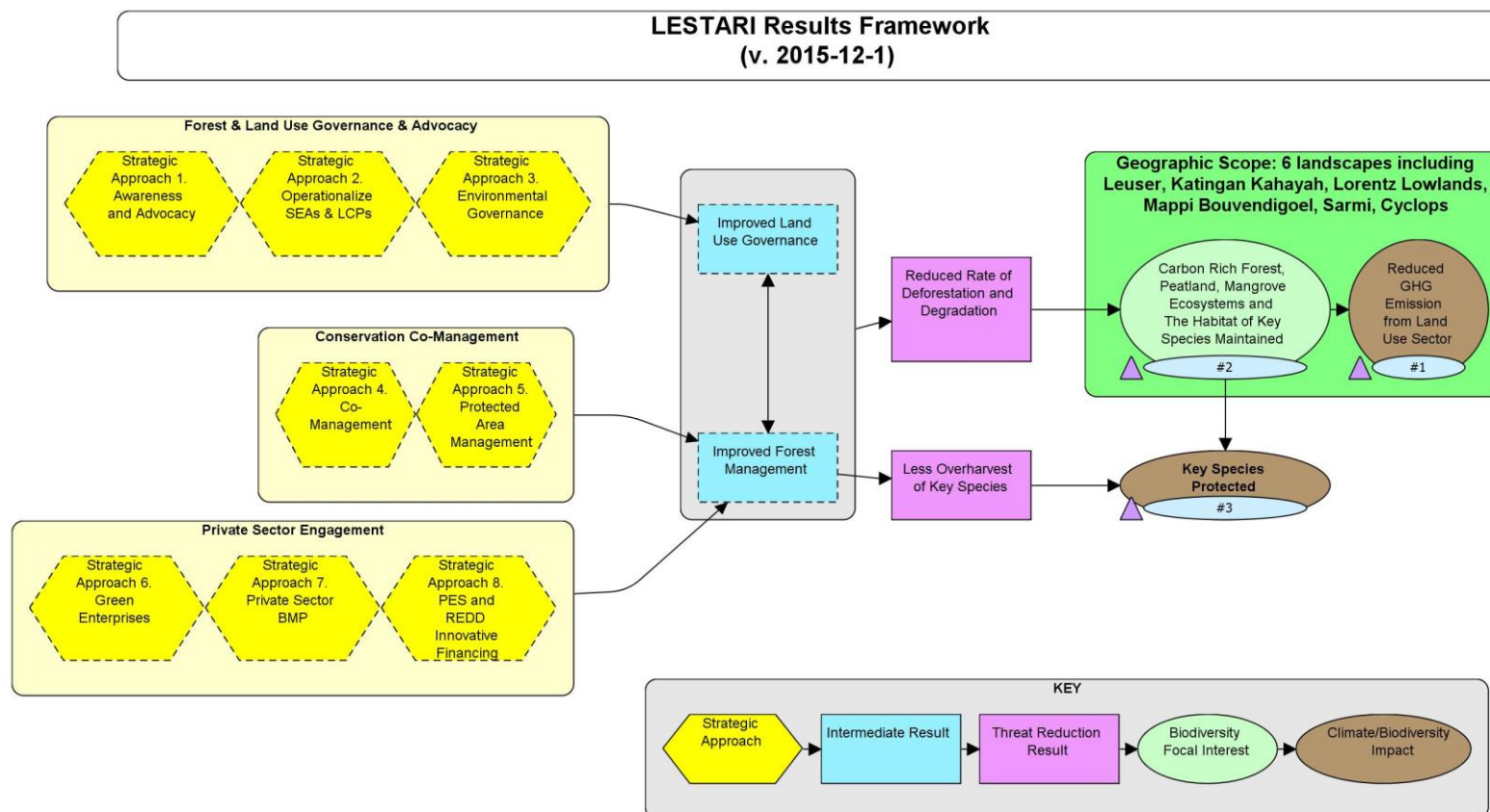
Indicator	Target of FY 2016	Actual (Q1)	Actual (Q2)	Actual (Q3)	Actual (Q4)	% of Completion (Accumulative Actual vs Target)	Remarks
#1 – Percentage reduction in GHG emissions as a result of USG assistance measured using actual emissions compared to REL ( <b>Outcome</b> – <i>contributes to FACTS 4.8-7</i> )	Not measured	Not measured	Not measured	Not measured	Not measured	-	-
#2 – Number of hectares of biological significance and/or natural resources under improved natural resource management as a result of USG assistance ( <b>Outcome</b> – <i>FACTS 4.8.1-26</i> )	Not measured	Not measured	Not measured	Not measured	Not measured	-	-
#3 – Percentage reduction in poaching ( <b>Outcome</b> )	Not measured	Not measured	Not measured	Not measured	Not measured	-	-
#4 – Number of public policies addressing climate change and/or biodiversity conservation introduced, changed or adopted consistent with citizen input ( <b>Outcome</b> )	3	0	1	1	1	100%	<ul style="list-style-type: none"> <li>• Issuance of Governor Regulation of Province of Central Kalimantan No 49/2015 concerning the revocation of Governor Regulation No. 52/2008 regarding Land Clearing Guidelines.</li> <li>• Adoption of METT (Management Effectiveness Tracking Tool) in 130 conservation areas through Minister Decree (SK 357/KSDAE-SET/2015).</li> <li>• Bupati Regulation of Aceh Tenggara concerning Village Fund Utilization for</li> </ul>

							Sustainable Forest and Environmental Development ( <i>introduced</i> )
#5 – Number of sub-national government with improved licensing and permitting mechanism ( <b>Outcome</b> )	Not measured	Not measured	Not measured	Not measured	Not measured	-	-
#6 – Number of sub-national government incorporating high quality SEA-LEDS & LCPs into draft spatial plans, zonation regulation or draft mid-term development plan ( <b>Outcome</b> )	2	0	0	0	According to milestones the progress is 30%, please see remark	30%	<ul style="list-style-type: none"> <li>One high quality SEA/LEDS is developed in Central Kalimantan Province and one is updated in Mimika District.</li> <li>In Central Kalimantan Province, SEA/LEDS document has referred to SEA/LEDS recommendations of Palangka Raya, Pulang Pisau, and Katingan developed under IFACS. And now is under process to be incorporated into Provincial RPJMD.</li> </ul>
#7 – Number of Multi Stakeholder Forum (MSF) operational as citizen based mechanisms for public input on land use ( <b>Outcome</b> )	2	0	0	0	According to milestones the progress is 40%, please see remark	40%	<ul style="list-style-type: none"> <li>7 MSFs (3 in Leuser Landscape, 2 in Katingan-Kahayan Landscape, 2 in Papua) have Bupati Decree or <i>Berita Acara</i> for MSF institutionalization.</li> <li>3 MSFs in Asmat, Sarmi and Mimika are under process of finalization of Bupati decree and action plans.</li> <li>In regards with facilitating policy change, FOLAT in Aceh Tenggara is facilitating the development of Bupati Regulation for Village Fund. And FORLAST in Aceh Selatan is facilitating the development of local regulation for environmental management. While Forum Hapakat in Pulang Pisau has discussed and agreed upon canal blocking in Block C.</li> </ul>
#8 – Number of community champions engaged in advocacy interventions ( <b>Output</b> )	50	0	9	14	2	50%	25 champions (23 male; 2 female) engaged in various advocacy interventions, such as drafting local policy.
#9 – Number of people reached by LESTARI	1,000	0	313	3,062	117,176	12,055 %	120,551 people (68,796 male and 51,755 female) reached through LESTARI

communication programs to improve awareness and understanding of LEDS and biodiversity conservation ( <b>Output</b> )							communication programs. However it is worth noting that number of people reached through social media is much bigger than number presented here (for instance, an article about orangutan in Central Kalimantan posted on Fanpage Katingan-Kahayan has reached more than 200,000 people).
#10 – Number of Conservation Areas (CAs) with at least 70 point in METT scores across LESTARI landscapes ( <b>Outcome</b> )	Not measured	Not measured	Not measured	Not measured	Not measured	-	-
#11 – Number of co-management agreements signed that secure community rights and benefits ( <b>Output</b> )	0	0	0	1	0	100%	Declaration of collaborative management of Cyclops and its buffer zone.
#12 – Number of people receiving USG supported training in natural resources management and/or biodiversity conservation ( <b>Output</b> – <i>FACTS 4.8.1-27</i> )	1,000	20	77	668	216	98%	981 people (788 male; 193 female) received trainings.
#13 – Amount of investment mobilized (in USD) for climate change as supported by USG assistance ( <b>Output</b> – <i>FACTS 4.8.2-10</i> )	2,000,000	0	22,712	66,737	3,388,472	173%	Amount \$ 3,477,921 (IDR 45,554,204,500) has been mobilized from local government and private sectors.
#14 – Number of people receiving livelihood co-benefits (monetary or non monetary) ( <b>Outcome</b> )	0	0	0	0	0	-	-

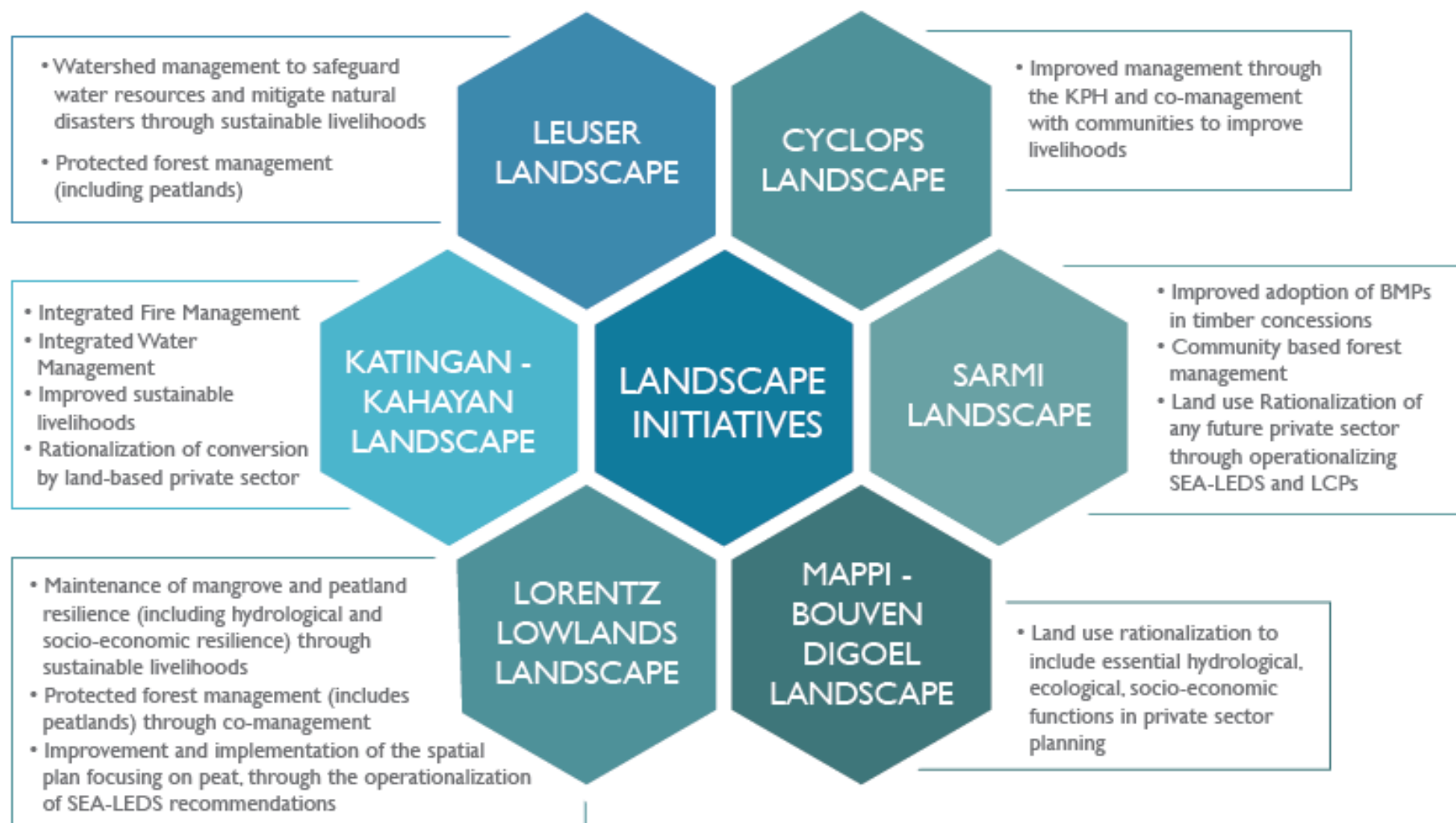
#15 – Number of private sector firms that have improved management practices as a result of USG assistance ( <b>Outcome</b> –FACTS 4.6.2-9)	2	0	0	0	<i>According to milestones the progress is 40%, please see remark</i>	40%	11 MoUs have been signed between LESTARI and Concessionaires in Katingan Kahayan and Sarimi Landscape. Through these MoU they intend to prioritize joint activities such as training RIL-C, conservation management of HCV forest, improve and or develop economic activities of forest-dependent communities, and realization of joint agreement between community and parties to maintain and preserve the environment.
#16 - Number of new USG-supported public-private partnerships (PPPs) formed ( <b>Output</b> – FACTS PPP 5)	3	0	0	1	2	100%	<ul style="list-style-type: none"> <li>• PPP signed between LESTARI and PT. Kampung Kearifan Indonesia, the holder of JAVARA trademark. The common interest through this partnership is in improving the performance of cacao value chain and other value chains created in the cacao plantation area in Leuser Landscape.</li> <li>• PPP signed between Bank Indonesia Representative Office of Central Kalimantan and USAID LESTARI in improving the performance of the rubber supply and production system in Pulang Pisau District.</li> <li>• PPP signed between private company, PT. Insan Bonafide and USAID LESTARI to improve the performance of the rubber supply and production system in Pulang Pisau District.</li> </ul>

## APPENDIX 2: LESTARI RESULTS FRAMEWORK



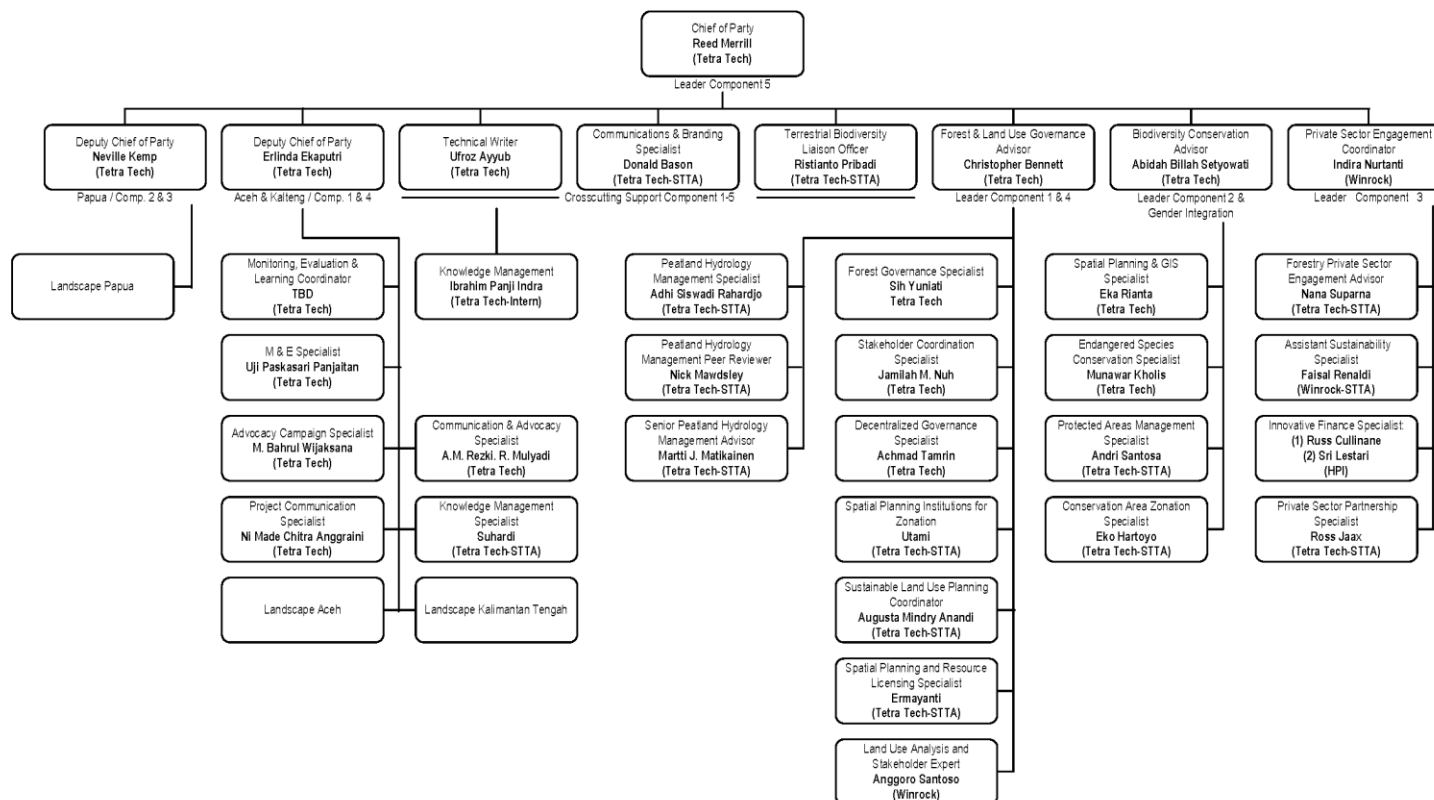


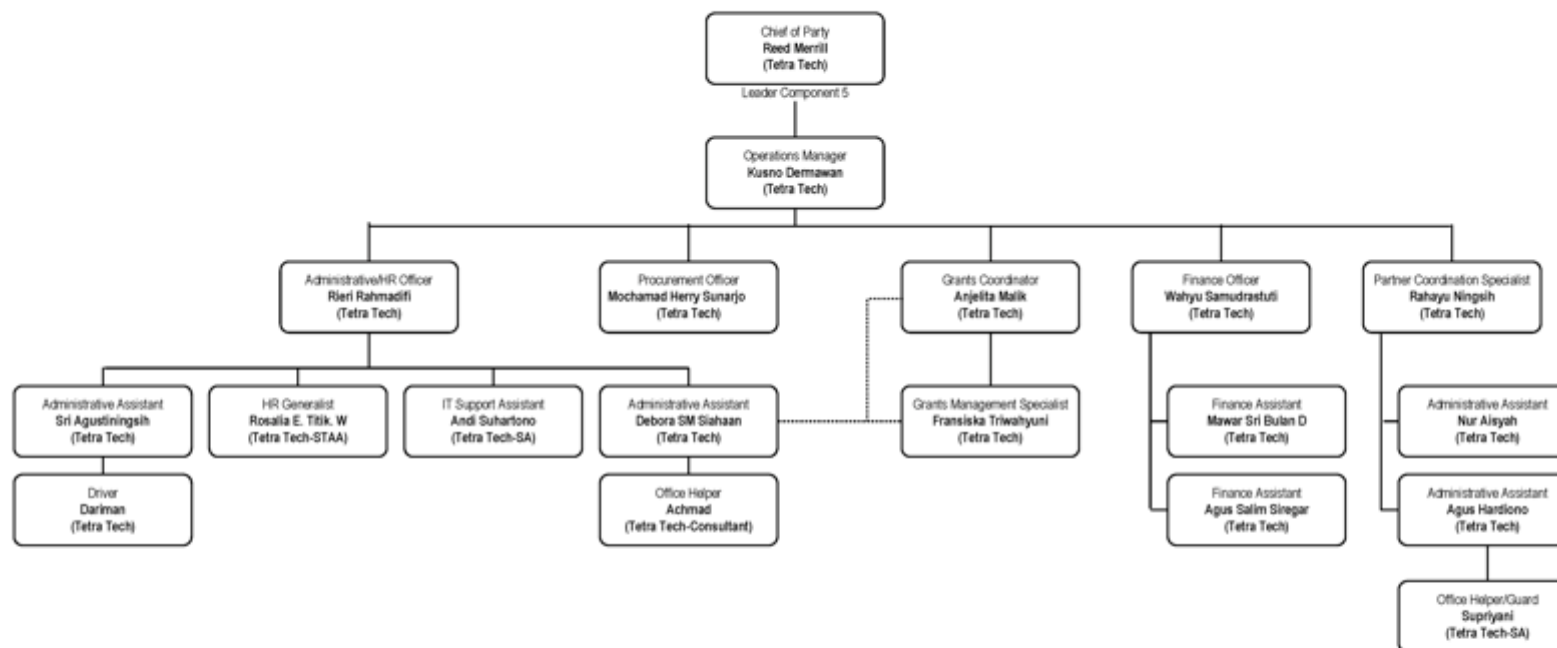
## APPENDIX 3: LESTARI LANDSCAPE INITIATIVES

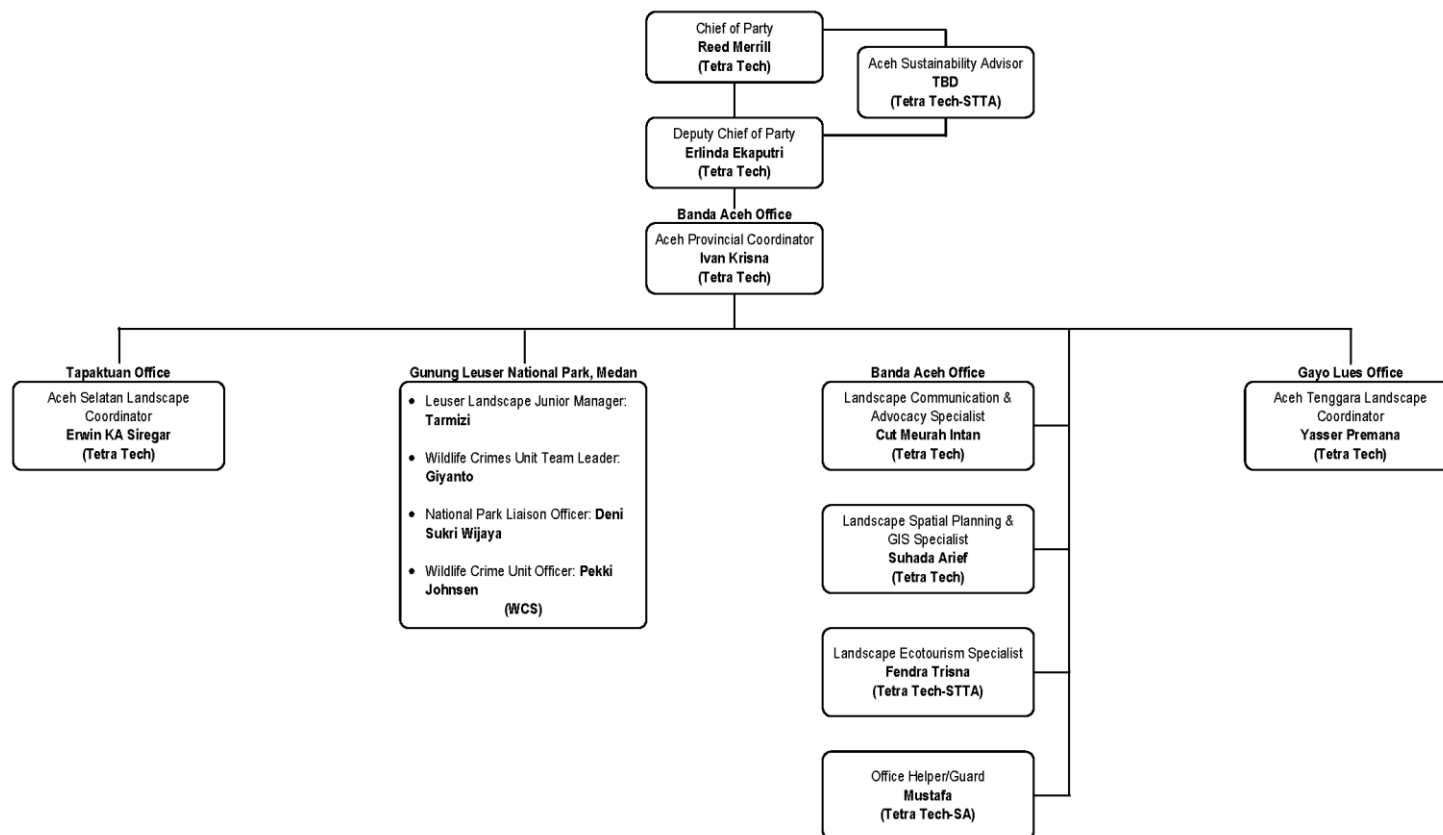


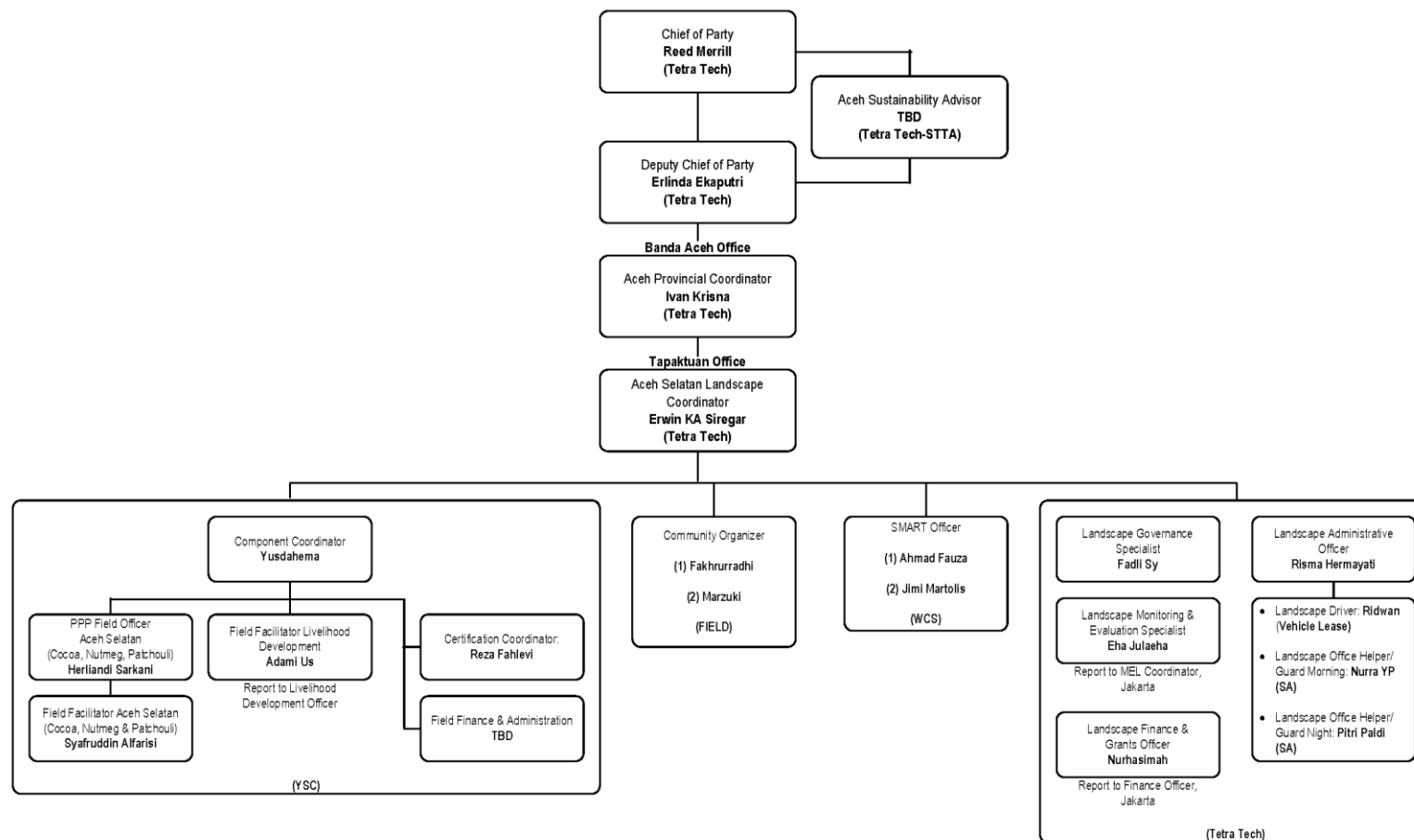
# APPENDIX 4: STAFFING PLAN

**LESTARI** Jakarta

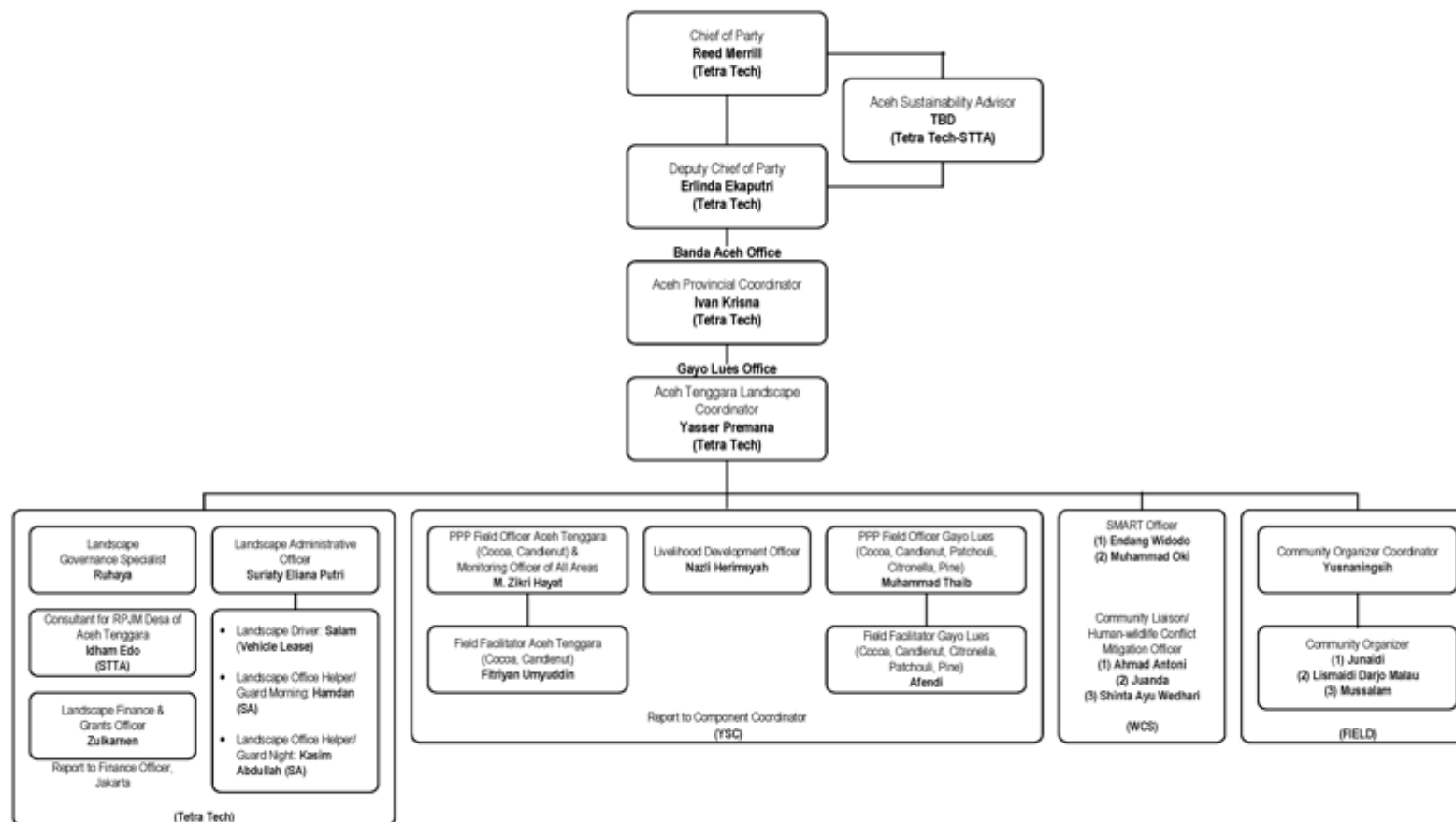


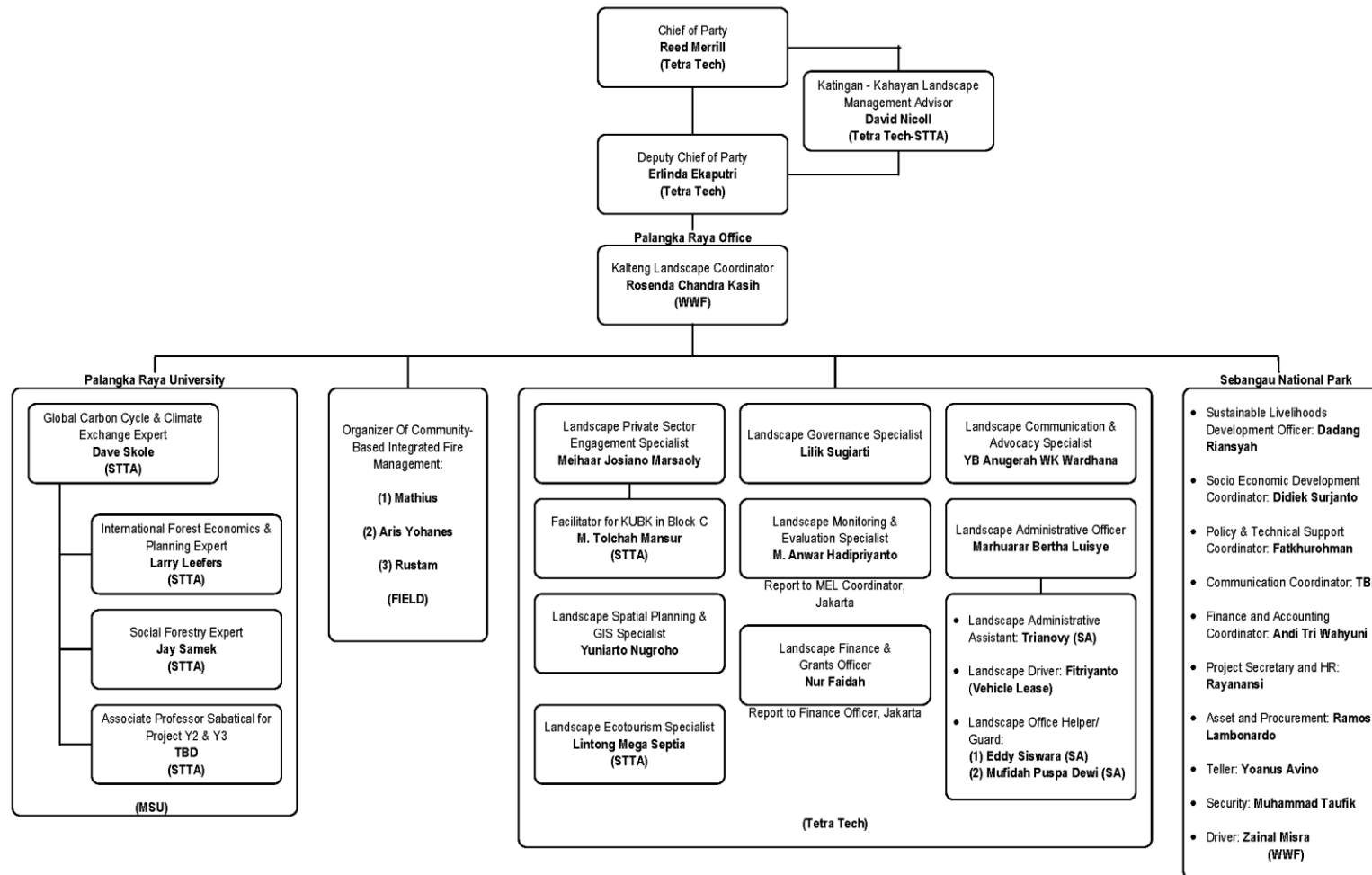


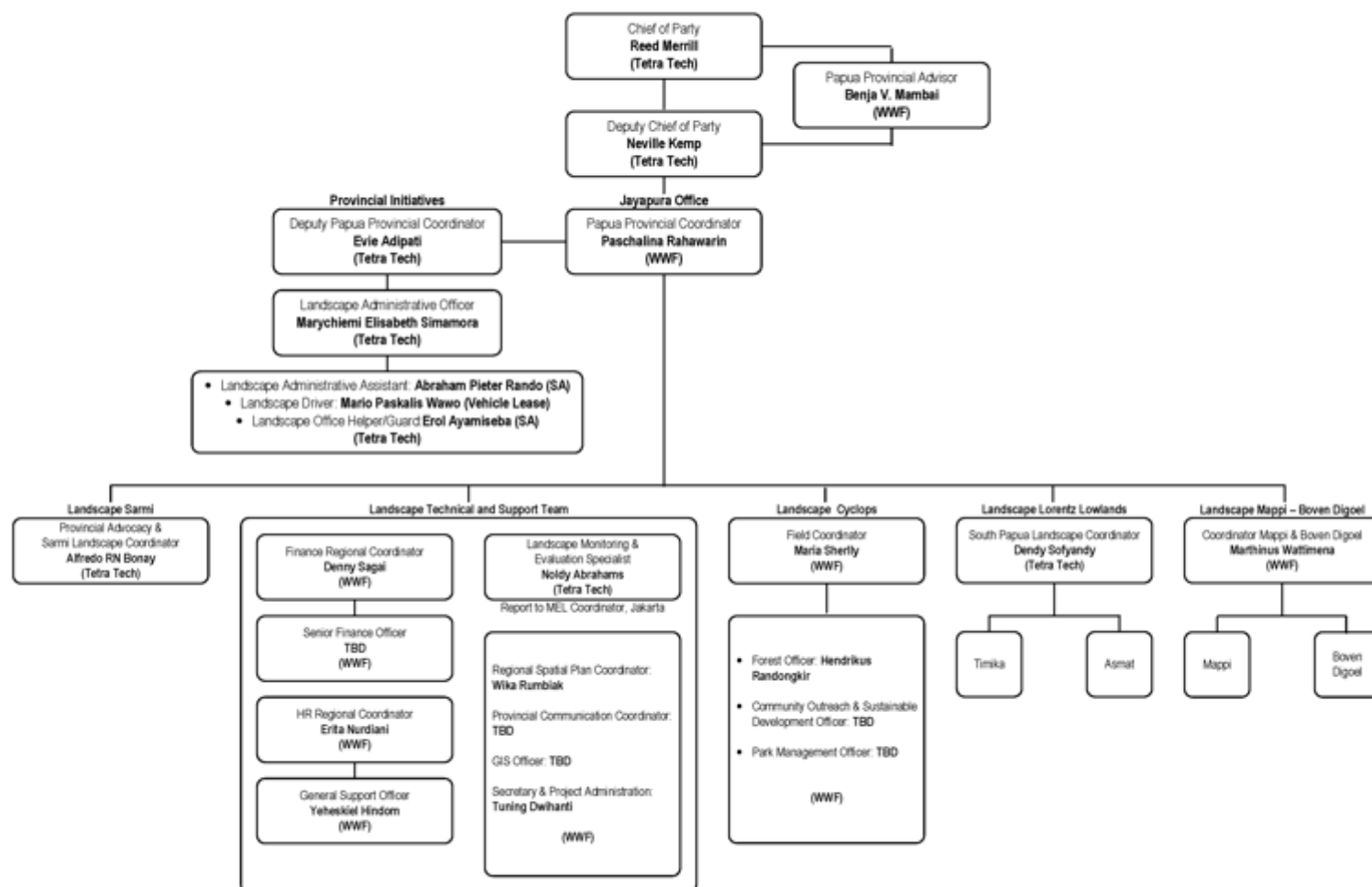


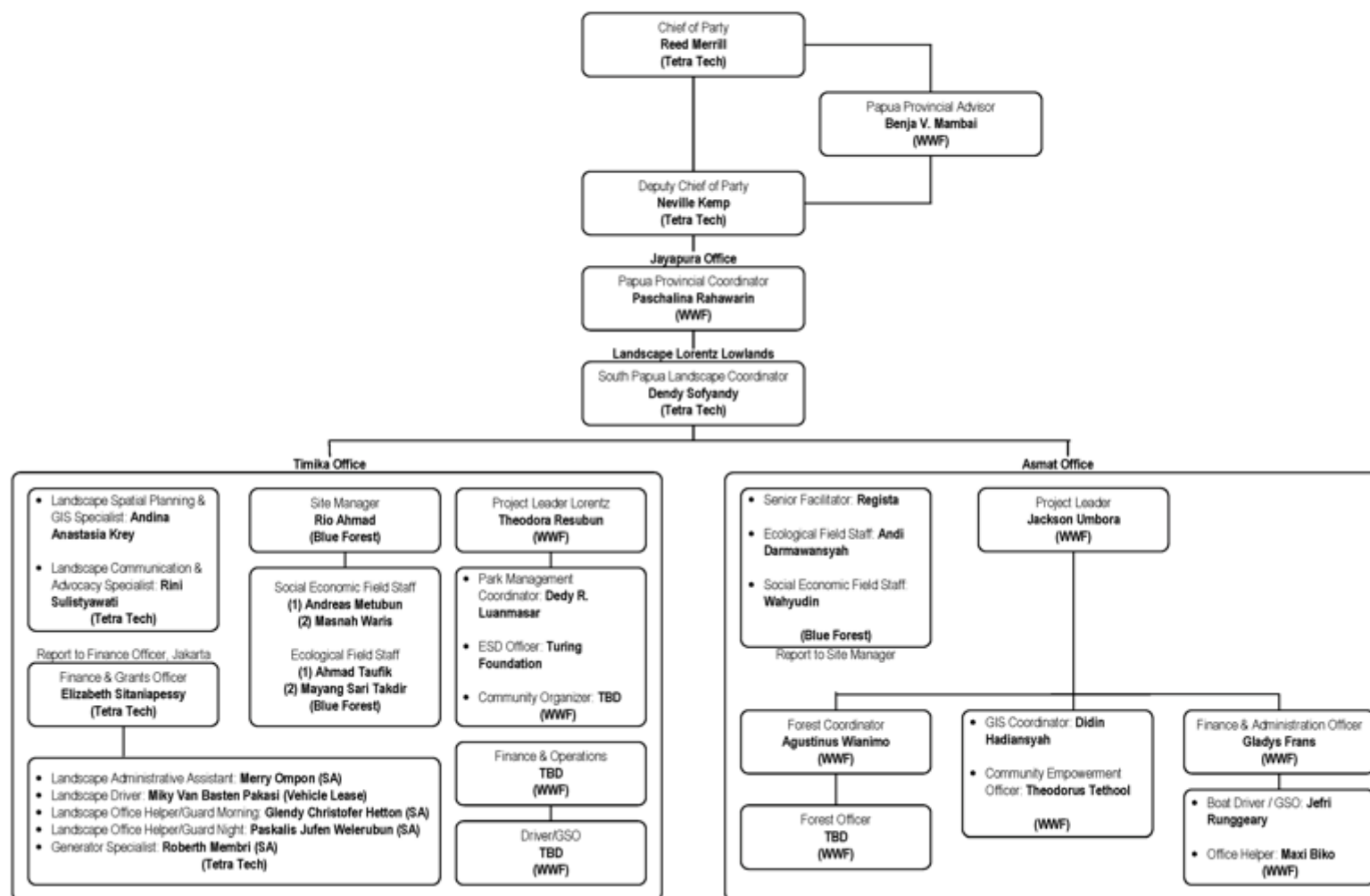


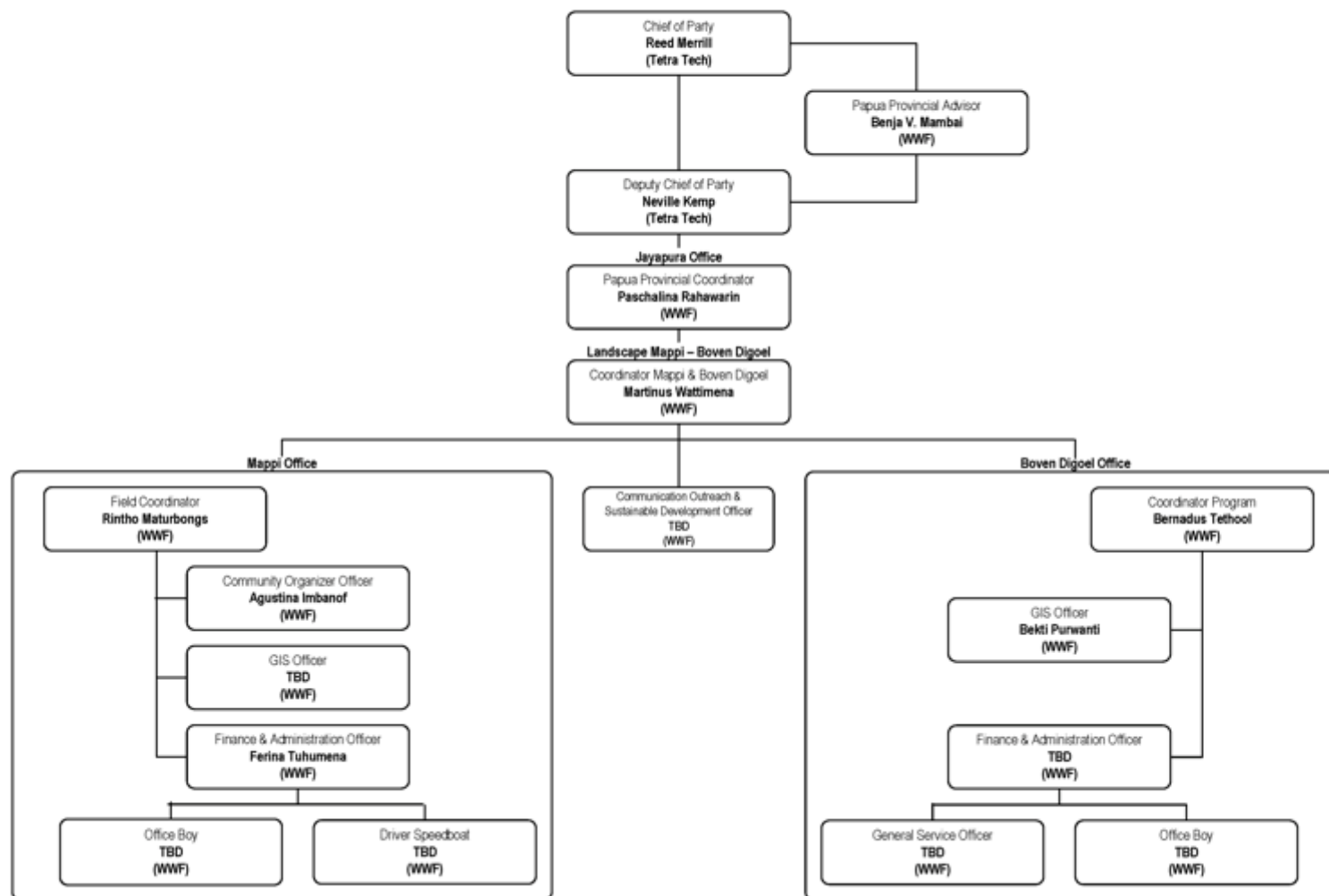














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